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(The newspapers and magazines from which these agricultural items are taken are on file in Press Service, Room 409A. Phone Gene Harrison at 6212.)

From The New York Times, August 1 -

DECONTROL BOARD TO SPEED HEARINGS-Washington-The Price Decontrol Board expects to start hearings by Aug. 12 to decide whether grain, livestock, dairy products, cottonseed and soy beans shall remain free from price control after Aug. 20.

Under the revised Price Control Law these items are specifically exempted from control until that date, with recontrol automatic unless the board rules for continued decontrol.

Roy L. Thompson, chairman of the board, issued today a statement of its plans following conferences with Paul A. Porter, head of the Office of Price Administration; Clinton P. Anderson, Secretary of Agriculture, and the general counsels of these two officials.

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OPA HERE ACCUSES FOOD WHOESALERS-A rebellion among Washington Market wholesalers against reimposed price ceilings on fresh fruits and vegetables came to a head yesterday when agents of the Office of Price Administration gathered data which they said showed open black marketing in at least fifty of the stalls and salesrooms.

Unlike earlier black marketing in the nation's biggest produce mart, which had taken the form of undercover payments not entered on the wholesalers' books, the present overcharges are entered boldly on dealers' invoices and the books of some of the wholesale houses, according to Callman Gottesman, New York City OPA enforcement chief.

Some of the wholesalers, refusing to open their books to the government agents, were served subpoenas. Others, who made no attempt to conceal their overceiling sales, will be haled into Federal and War Emergency Courts, Mr. Gottesman said.

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OPA HAS PROBLEM ON MEALS IN CAFES-The status of restaurant meals under the revised price control law was still uncertain in New York City yesterday. In theory, ceilings again apply, it was pointed out, except where meat, poultry, and dairy dishes are involved. But in practice, it was agreed, enforcement is virtually impossible.

Awaiting instructions from Washington, the regional Office of Price Administration was unable to clarify the situation. Information officers cited portions of a national OPA radio script saying, "Restaurant meals are under price control, but meat, poultry and dairy products are exempt from controls, at least till Aug. 20."

They were unable, however, to explain how compliance could be compelled. Even cream for coffee comes under the far-reaching exceptions, eating house proprietors noted, James L. Meader, regional OPA chief, spent the day conferring with agency district directors and was unavailable for comment.

Spokesmen for the restaurant industry agreed not only that controls were actually off, to all practical purposes, but also that few of their number have raised prices more than the nominal amount necessary to compensate for increased costs.

(Turn to page 2 for other items in today's N.Y. Times.)

Farm Digest 1655-46

From The New York Times, August 1 -

ASK ARGENTINE DEAL TO GET LINSEED OIL-Improvement in the linseed oil supply situation may not be expected for at least six months unless the Government soon makes the contract with Argentina for the purchase of large quantities of flaxseed or linseed oil, spokesmen for leading companies declared here yesterday. This continued shortage of linseed oil is proving a serious handicap to the paint industry, particularly in view of scarcities of such other essential materials as lead.

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LINSEED OIL PRICE RAISED-Washington-An increase of 1.3 cents a pound in ceiling prices of raw linseed oil and various linseed oil products, effective at once, was announced today by the Office of Price Administration. The increase was granted to compensate crushers of flaxseed, from which linseed is extracted, for increases in the price of flaxseed due to the loss of a subsidy of 25 cents a bushel...

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WEATHER A FACTOR IN CORN PRICE RISE-Chicago-Although dry weather reports continue to come from a wide area in the main Corn Belt, there was a lack of confirmation today of any extensive damage. However, the fact that the crop now is entering the critical stage of its growth and that weather conditions during the next two weeks probably will determine the size of this year's harvest led today to increased buying of futures on the Board of Trade and corn closed at the top at gains of $3 \frac{7}{8}$ to 4 cents a bushel.

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From The New York Herald Tribune, August 1 -

HARVEST HOLIDAY-A harvesting vacation was offered yesterday to city firemen by the United States Employment Service, which gave as inducement the following, printed in the Fire Department orders: "The work is hard, the sun gets hot, muscles get sore, and accommodations are simple," it said. "But there is satisfaction from the knowledge of a job well done." In previous years, the U.E.E.S. said, city employees have made valuable contributions to food production.

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LENDING POLICY FOUND AIDING EXPORTS IN U.S.-In a discussion of foreign trade since cessation of hostilities, the "Monthly Review," published today by the Federal Reserve Bank of New York, asserts that the foreign lending program of Washington "now has assumed a position similar in some respects to the one occupied throughout the war by lend-lease and it can be credited with having contributed to the substantial merchandise exports."

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From the New York Wall Street Journal, August 1 -

OPA ANNOUNCES INCREASE IN RETAIL CEILING PRICES FOR ALL FARM EQUIPMENT, Washington - The Office of Price Administration yesterday announced that retail ceiling prices for all farm equipment and replacement parts will be increased about 6% effective July 31.

The O.P.A.'s first formal order carrying out provisions of the new price control act permits the manufacturers and wholesale distributors, who were granted a 10% increase in ceiling prices on May 10, to increase their retail list prices to reflect fully that earlier increase. Heretofore the O.P.A. regulation, while increasing manufacturers' prices 10%, permitted retail ceilings to be raised only 5%, thus "squeezing" the retail dealers' profit margins.

In addition, the O.P.A. restored to the distributors a 2% charge for handling and transfer costs. This charge also had been eliminated by O.P.A. regulations before the price control law was amended. The new law forbids the O.P.A. to reduce, below pre-war levels, the margins realized by distributors of such products as farm machinery, where deliveries during the first three months of 1946 were less than during the same period of 1945. A similar amendment also will require the O.P.A. to raise the retail ceiling prices for automobiles and household electrical appliances.

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CCC PLANS DAILY WHEAT BUYING - The N. Y. Produce Exchange has received the following telegram from the National Grain Trade Council at Washington.

"Production and Marketing Administration confirms that the Commodity Credit Corporation will buy wheat every business day at the ceiling price, or market price. Quantity to be purchased by CCC will total up to at least 250 million bushels. CCC will notify the trade before any change in buying price basis, or cessation of buying 24 hours before any change in the purchase program is made."

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U.S. TO HALT OILS, FAT SUPPLIES FOR RELIEF PURPOSES JANUARY 1 - The United States plans to halt all relief shipments of fats and oils on January 1 because of an increasingly shortage in this country, the House special food committee was informed yesterday by O. W. Herman, acting director of the fats and oils branch of the Department of Agriculture. He told the committee that the amount of fats available next year to make soap, margarine, salad oils and other products would be 600 million pounds less than this year.

"Consequently," he said, "it is our policy that there be no relief shipments after January 1. We want to keep the stuff available for domestic use."

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From the New York Journal of Commerce, August 1 -

RESULTS AWAITED IN BEET PROGRAM - Interest in sugar trade circles yesterday centered in the launching of the beet sugar diversion program, designed to bring speedy relief to deficit areas.

Acting upon request of the CCC, pending formalizing of the reimbursement program covering the beet sugar diversion move, yesterday, a number of beet companies have confirmed orders, and some small shipments are now reported rolling. (Turn to page 4 for other items from today's N.Y. Journal of Commerce.) - - -

Farm Digest 1655-46-3

From the New York Journal of Commerce, August 1 -(Cont.)

NEW CEILING ON FLOUR TO BE \$1.11 CWT. HIGHER, Washington - New ceiling prices for flour will be \$1.11 per hundred-pound sack higher than the old ceilings which expired on June 30, OPA officials decided today.

The decision is going forward for Price Administrator Porter's approval, and if Mr. Porter approves, the decision will be sent tomorrow to Secretary of Agriculture Anderson for the final seal of approval.

\$1.03 of the increase represents the flour subsidy, which is no longer being paid while 8c of the increase is to compensate millers for the weighted average increase in wheat prices over the old wheat ceilings. The new ceilings will be effective until Aug. 21 .

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RELIEF IS SOUGHT IN SCRAP SHORTAGE - Government agencies were reported yesterday to be tackling the scrap supply problem, as the critical shortage resulted in the closing of 25 to 30 open hearths in at least two major producing areas.

Representatives of the Civilian Production Administration, Office of Price Administration, scrap dealers and steel mills were said to be seeking satisfactory terms that would lead to an increased scrap supply.

Dealers declare that the issue may resolve into a governmental dispute between CPA and OPA. They hold that the attitude of the two agencies are currently divergent, in that CPA has urged all possible methods to increase the scrap supply, while price control officials have bluntly dampened any hopes for a price increase.

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COTTON PRICES ROCKET AGAIN ON STRONG STATISTICAL POSITION - Replacement buying by outside interests drove prices in all months up to limits yesterday in an active session on the New-York Cotton Exchange. The advance was bell-wethered by the more distant positions in the new crop. At closing, gains of 200 points were registered across the board.

Buying was spurred by Washington reports of new higher ceilings for textiles and of previously undisclosed information concerning the carryover from the outgoing year. Another major factor in the market was the tendency of Southern and Western interests to return as a result of such news.

The plummeting of cotton prices last week led to heavy liquidation of these interests.

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CANNERS CAUTIOUS ON '46 PEA SALES - Midwestern canners, who reportedly will seek decontrol of their product under the provisions of the new OPA act, are extremely reluctant to book substantial totals of new pack fancy peas, it was reported here yesterday.

Canners are requiring purchasers to accept fairly substantial percentages of standards and extra standards in their deliveries, it was said, and are inclined to hold back fancies for disposal later on in the marketing year, when conditions may be more favorable to the seller.

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From The Des Moines Register, July 29 -

ENOUGH GRAIN FOR WORLD'S BREAD-By Nat Finney-Washington, D. C.-There will be enough grain to make bread for the hungry world during the coming year.

On the basis of the new outlook food experts who have fought to spread short supplies during the past nine months are already considering revised policies.

But the modification will not take place until, as Undersecretary of Agriculture Morris E. Dodd says, "the crop is in the bin."

He regards the corn crop as important to the wheat-use program, and will delay adjustments until firm estimates of how much wheat will be needed for animal feeding can be made. If the corn crop comes through as forecast, less wheat will be used for feed and more will be available for breadstuffs.

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From San Francisco Chronicle, July 27 -

BOX CAR SHORTAGE MENACES CANNERIES-Canning of apricots, peaches, pears and tomatoes will be jeopardized unless a "critical" shortage of box cars is remedied, Ray B. Wiser, president of the California Farm Bureau Federation, declared yesterday.

He wired the California congressional delegation urging them to correct a situation which has shifted box cars into the Northwest grain areas. Manufacturers are unable to ship cans to California because of lack of cars, he said.

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From Chicago Journal of Commerce, July 30 -

GRAIN TRADE MIRROR-If cash corn and hog prices are rolled back to the June 30 levels, or even halfway back, the administration will have touched off a bomb so thoroughly charged with political dynamite that it may be years before the full effect of the action wears off. Even another war with attendant high prices would not erase its memory from American agriculture.

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U. S. REPORTED QUITTING FLOUR EXPORT TRADE-By Max Barnes-Washington, July 29-The government will return the bulk of the flour export business to the private trade about the first of August in its first major move away from tight control of handling food products going to foreign claimants, mill representatives have reported.

The Department will continue however, to buy all wheat for foreign governments with quota assignments against United States supplies, and flour for the armed services and the United Nations Relief and Rehabilitation Administration.

The expected government move does not mean that the export of flour is thrown open without any supervision from the Department of Agriculture. Mills must still receive export licenses from the Office of International Trade of the Department of Commerce.

The exports also will remain under quotas assigned by the newly formed International Emergency Food Council, which took over the duties of the Combined Food Board on July 1.

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From The Boston Herald, July 30 -

NEW OPA MINDS-Editorial-The new CPA setup is shockingly typical of American governmental expedients. We set up a price control agency, and then we set up two other agencies to recontrol them.

All the elaborate research necessary to establish a ceiling on potatoes for instance -- area and season differentials, varieties, grades, uses, package types, points of sales, incentive goals as against other crops, parity and so on -- will need to be pursued triply, by the OPA, the Department of Agriculture and the Decontrol Board.

Congress, the Great Compromiser, set up a No. 2 OPA for agricultural products, the Department of Agriculture, and a No. 3, the Price Decontrol Board, empowered to control as well as decontrol. In its wisdom it ordained that the last be an independent agency, to be sparked by fresh, new minds, uninhibited by the Hender-sonian-Bowlesian philosophy.

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From The Kansas City Times, July 29 -

SEE CATTLE FLOOD-The heaviest July run of cattle since 1934, when drought was killing range pastures, will arrive today at the Kansas City stockyards, the government estimated yesterday. The prediction is 29,000 head.

Drying pastures, high market prices and the threat of an OPA ceiling next month are considered principal factors driving cattle to market.

With current high prices, the determining factor in livestock receipts is of railroad cars available. Since expiration of OPA ceilings, stockmen and farmers have been sending in as many cattle as they can obtain cars to move.

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From The New Orleans Times-Picayune, July 29 -

THE DECONTROL BOARD-Editorial-President Truman's selections for the new decontrol board take the nation by surprise. None of the three appointees has been mentioned in connection with this important agency. None is prominent in politics. So far as we know, not one of the three has been active in the fight over the OPA.

For chairman of the new agency he has chosen Roy L. Thompson, president of the federal land bank in New Orleans.

His general qualification and competence for a national service dealing with economic problems and requiring "judgment and fairness," find attestation in his training, record and experience.

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From St. Paul Pioneer Press, July 27 -

CO-OP PURCHASE OF ELECTRIC PLANT OPPOSED-Madison, Wis.--(U.P.)--The public service commission Friday began considering an order in the proposed sale of the Wisconsin Hydro-Electric Co. of Amery to the Badger Electric cooperative.

Opposition was expressed by attorneys for several cities and villages, civic organizations and private industries who are customers of the company.

E. E. Omernik of Spooner told the three-man commission that the Rural Electrification administration originally was established only to extend electric service to farms not getting central station service, not "to take over the entire electric power business."

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(The newspapers and magazines from which these agricultural items are taken are on file in Press Service, Room 409A. Phone Gene Harrison at 6212.)

From The New York Herald Tribune, August 2 -

25,000 POUNDS OF BEEF CONDEMNED AS SPOILED-Twenty-five thousand pounds of beef on a New York Central railroad siding were condemned yesterday as unfit for human consumption, according to Dr. Israel Weinstein, Health Commissioner. He said the meat had spoiled for lack of proper refrigeration. On Monday 60,000 pounds of beef were condemned.

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BREAD GOING UP ANOTHER CENT: CRACKERS 1 $\frac{3}{4}$ %-Washington-Bread will go up another cent a pound--a cent an average loaf--temporarily, following a flour price rise within the next day or so, it was learned today at the Office of Price Administration.

The increases, "almost certain" to be announced tomorrow, according to one source, were decided on yesterday by Paul Porter, Price Administrator, and Clinton P. Anderson, Secretary of Agriculture. They result from rising market quotations on wheat, which was freed from control under the amended price control act. The rises also result from the decision that it was "mechanically impracticable" to restore a subsidy on flour and afford millers relief between now and Aug. 20.

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From The New York Times, August 2 -

PRICE RANGE WIDE IN COTTON SALES-After covering a wide price range, the cotton futures market on the New York Cotton Exchange closed yesterday 35 points higher to 2 points lower than the day before, with the 1947 crop months lagging.

The loan figures received only passing notice. The cotton loan was set at 24.38c a lb. for 15/16 inch middling at an average location. The loan is almost 3c a lb. above last year, but it is about 8c a lb. under current spot prices in the South.

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GRAINS OPEN FIRM BUT EASE AT CLOSE-Chicago-Continued dry weather in the Corn Belt gave the grain markets a strong start today on the Board of Trade corn being up 3 $\frac{1}{4}$ cents a bushel and oats 1 $\frac{1}{2}$ cents at one time, but outside buying failed to follow the upturn, and with profit-taking and professional selling the close was easy.

Most of the complaints of dry weather came from northern Illinois and Indiana and from parts of the Southwest, but so far the only damage indicated is in southern Kansas, where crop prospects have been reduced around 50 percent, according to a report by the Atchison Railway.

(Turn to page 2 of the N.Y. Times - - - -
for other items.)

From The New York Times, August 2 -

CASE HEAD SPURNS BID TO U.S. PARLEY-Racine, Wis.-L. R. Clausen, president of the J. L. Case Company, whose farm equipment manufacturing plants here and in Rockford, Ill., have been strikebound for several months, accused Labor Secretary Lewis B. Schwellenbach today of hampering collective bargaining and "attempting to enforce the demands of certain CIO leaders."

Mr. Clausen made this charge in telegrams sent to Mr. Schwellenbach and Agriculture Secretary Clinton P. Anderson in reply to their joint invitation for him to come to Washington tomorrow for a 10 A.M. conference with Government officials and union leaders. He declined their invitation.

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WHOLESALE PRICES IN SLIGHT DECLINE-Washington-Following the sharp advances of the last three weeks whoesale prices declined fractionally (0.1 percent) during the week ended on July 27. Lower prices for agricultural products more than offset substantial increases for a few industrial commodities. At 124.1 percent of the 1926 average, the index of commodity prices in primary markets prepared by the Bureau of Labor Statistics was 10.1 percent above the level of the last week of June.

Average prices of farm products dropped 1.2 percent during the fourth week of July with substantial decreases for grains and some livestock.

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DROUGHT AFFECTS CATTLE-Chicago-Drought in the Southwest and in some Great Lakes areas today for forcing cattle to market and causing apprehension over the corn crop.

The Santa Fe Railway, in a summary of crop conditions in its territory, said the drought in southern Kansas was "described as the worst in ten years." Sections of Kansas, Oklahoma and Texas need rain.

Northern Illinois and Indiana and southern Michigan and Wisconsin comprise the drought area in the Great Lakes region, the Weather Bureau said.

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HIGH DEMURRAGE FEES TO SPEED FREIGHT CARS-Washington-The Office of Defense Transportation moved today to make available additional gondola and hopper railroad cars for transporting coal, building materials and manufactured goods by imposing penalty demurrage charges on such cars. The order effective today, is scheduled to expire on Dec. 1.

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CARLOADINGS OFF 1.2% LAST WEEK-Washington-Loadings of revenue freight for the week ended on July 27 were 910,513 cars, the Association of American Railroads announced today. This was 10,988 cars or 1.2 per cent fewer than for the preceding week, 24,083 cars or 2.7 per cent more than for the corresponding week last year, and 1,023 cars or 0.1 per cent more than during the corresponding week two years ago.

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From the New York Wall Street Journal, August 2 -

BELT CONVEYOR EASES BACK-BREAKING JOB ON PINEAPPLE PICKERS, Honolulu, Hawaii- The straw-hatted pineapple picker, a traditionally familiar figure trudging through Hawaii's fields with a large sack slung over his shoulder, has a new labor-saving assistant.

The device is known as a harvester-conveyor and its experimental model was built by the Pacific Car & Foundry Co., of Seattle. It has worked so well that the Hawaiian Pineapple Co. has ordered 40 more like it for its fields on the islands of Oahu and Lanai.

The conveyor stands on four metal legs, high enough to allow a truck to drive under it. From its middle a 50-foot extended aluminum boom reaches out at right angles into the field, and rests on the ground at about waist height.

A moving belt runs along the boom and climbs back up to the top of the conveyor stand. After the worker has picked the pineapples he lays them on the belt and the fruit is carried up to the top of the stand and deposited in the seven ton bin of a waiting truck.

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ELECTRIC POWER INDUSTRY ADDED 800,000 HOMES TO LINES OF FIRST HALF - During the six months ended June 30 the electric light and power industry added 800,000 new residential customers to their lines, a survey made by the Edison Electric Institute, fact-finding agency for the industry, discloses.

The striking part of the picture is the fact that communities with a population of 2,500 or more, in which 70% of the nation's residential users of electricity now are located, accounted for only one-fourth of the new additions. About 100,000 of the new customers are being added monthly in small rural areas. Of this number, private companies account for 80% and the Rural Electrification Administration the remaining 20%.

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THE DECONTROL BOARD IS THE CENTER OF AN ANDERSON-PORTER TUG-OF-WAR - The Agriculture secretary and the O.P.A. administrator are engaged in a battle royal to gain influence over the new three-man board which will be the final arbiter on what farm products are freed from control.

Anderson wants all farm crops (except sugar, soybeans and cottonseed) out from under O.P.A. Porter may go along on poultry, eggs and tobacco, but definitely wants meats, dairy products and grains recontrolled.

They disagree, too, on the board's powers. O.P.S. says the board can decontrol all four products. But Anderson dissents.

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GRAIN MARGINS CUT AT CHICAGO; THOSE ON COTTON DOUBLED, Chicago - The Board of Trade Clearing Corp. announced that its margin committee has cut the margin requirements on corn, oats and barley in half and doubled the margin requirements on cotton.

Effective today, the margin requirements on corn will be reduced to 25 cents a bushel from 50 cents formerly, oats requirements will be 6 cents a bushel as against 12 cents and barley 25 cents compared with 50 cents heretofore. Cotton margins were increased from \$10 a bale to \$20 a bale.

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From the New York Journal of Commerce, August 2 -

AGRICULTURAL GAINS CONTINUE TO BOOST SENSITIVE INDEX - Hogs whirled to a 27-year high yesterday and along with a few small advances in other agricultural products lifted the commodity price level another notch.

The Journal of Commerce daily index of 30 sensitive commodity prices has advanced 3.2 per cent during the 6 days since ceilings were reimposed. Gains have been concentrated in livestock and cotton.

The index rose 1.8 points yesterday to 236.8 compared with 235.0 the previous day and 229.4 on July 26, when OPA once more took the reins.

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EARLY CORN STARCH DECONTROL SEEN - Permanent price decontrol of corn-starch and possibly corn before Aug. 20, the date on which the Price Control Board must act on grains and some other commodities is a good prospect, executives in the wet-corn milling industry said yesterday.

The Department of Agriculture is believed to be in favor of early decontrol for products of the wet milling industry.

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BRAZIL FARMERS ALARMED BY POSSIBLE RICE SURPLUS, Sao Luiz, Brazil - In a world critically short of food, farmers in this rich agricultural area are alarmed over a possible surplus of rice.

Prospects are that the coming harvest will bring much more rice than the internal market requires and for the present this grain cannot be exported until the internal market is well stocked.

The farmers fear that some of their crops will be lost before the consumption is properly assigned.

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EARLY MOVE SEEN IN COFFEE PRICING, Washington - Coffee prices will either be decontrolled or be raised approximately 5c a pound in a decision which is slated to be made tomorrow, an Office of Price Administration official said tonight.

Agreeing that it cannot delay any longer in reaching a decision on coffee prices, the official said that two considerations were under discussion this afternoon: (1) Decontrol of coffee prices. (2) An increase in the ceiling price by the amount of the subsidy, which would be around 3c a pound.

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HAY AND FEEDS- More abundant supplies of feed grains, particularly oats, at comparatively low prices resulted in a sharp contraction in the demand for by-product feeds which had scored spectacular advances following ending of price controls.

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From Chicago Daily Tribune, July 31 -

CANADA SHORT OF BUTTER; LAW PROHIBITS OLEO-By Eugene Griffin-Ottawa, Ont., July 30-Butter is scarce in Canada today, its production for domestic use averaging almost 2 million pounds a month below normal, but this is the only government in the world that prohibits the manufacture, sale, or importation of oleomargarine.

The latest attempt to repeal the prohibition, which Ottawa officials acknowledge is not popular with the public, was made this year by Sen. W. D. Euler of Ontario. His bill, which was opposed by dairy interests, was defeated in the senate by a vote of 43 to 30.

Canadian butter manufacturers have been protected by the oleomargarine prohibition since 1903, except for a World War I. interval when its production was legalized from 1917 to 1923 on a year to year basis.

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From The Memphis Commercial Appeal, July 30 -

COTTON COMMENT-By Gerald L. Dearing-The attack of Tom Linder, commissioner of agriculture from Georgia, and J. E. McDonald, commissioner from Texas, may be a backfire built to shield them from the conflagration they set when they told the world so confidently that cotton would go to 40 and 50 cents a pound. They blame the market break of last week on the OPA, refusing to acknowledge that all the small fry investors rushed into the market on the strength of their statement, overbought the market and lost heavily when the ground was cut from under them.

It is estimated that from 3 to 5 cents of the rise that carried cotton above 36 cents was caused by speculation induced by the statements of these two. Look for them to accept credit for the advance -- but blame the reaction of an overbought market on the OPA.

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From Chicago Daily Tribune, July 31 -

CROPS ESCAPE DAMAGE FROM ARID WEATHER-Northern Illinois farm crops have as yet suffered no appreciable damage from the lack of rain, a survey discloses. Substantial subsoil moisture is holding the crops despite the fact there has been almost no rain since early in the month.

A drive thru the northern third of the state shows that the dry spell actually has aided farmers. It has enabled them to complete most of the haying and much of the grain harvest without interference or loss.

Farmers said they would rather have the corn slowed down slightly by lack of rain at this time than to have heavy downpours ruin thousands of acres of oats, wheat, and hay. The moisture deficiency since April amounts to a little less than half an inch, weather bureau officials said.

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From Des Moines Register, July 30 -

IOWA HOG MARKETS UP 50c TO \$1.25-Iowa hog markets Monday were at the highest levels since 1919 with prices 50 cents to \$1.25, mostly 75 cents to \$1 up for the day.

All bids were \$20 or above on butchers with some at \$21 or slightly higher. Light offerings failed to fill the broad demand.

Hog receipts totaled 17,800 head compared with 14,000 a week ago and 32,200 a year ago. The count for Tuesday was expected to be about like or a little under the 23,000 of last Tuesday.

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From The Kansas City Times, July 30 -

GRAIN COMMENT-Grain men are virtually certain that the President's 3-man de-control board cannot restore ceilings on grain either on the ground of unreasonable prices or scarcity. The board, however, could reimpose ceilings under the clause which permits it to act "in the public interest."

Traders still are hopeful that lids will not be clamped on grains again because generally prices have not gone out of reason, they believe, and are falling back toward old ceilings in most instances. Cash wheat is now within a few cents of former levels, and new corn now is selling under ceiling on the Chicago futures market.

But continued higher prices for livestock pose a threat to future decontrol of grains, it is felt, since higher livestock prices would tend to boost grain prices.

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From The Boston Christian Science Monitor, July 31 -

INFLATION HEIGHTENS VIENNA FOOD CRISIS; WAGES AT LOW EBB-Bu Ernest S. Pisko-Vienna, July 31-Housewives in hungry Vienna today are turning sadly away from green grocer's counters unable to afford the vegetables which would feed their children at home.

Disparity between earnings and living costs has come as the crowning blow after failure of local food production brought an extreme scarcity, and idleness of industry denied Austria the purchasing power with which to seek relief abroad.

Prices of foodstuffs have gone up 30 per cent in the last four months, while wage boosts have been granted reluctantly and belatedly, and not in proportion of the rise in living costs.

Visits to the "black market" are out of the question for the average person. A street car conductor would have to work five weeks to buy two pounds of sugar and two months for two pounds of fat.

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From The Atlanta Constitution, July 30 -

RURAL LETTER CARRIERS URGE FIGHT FOR GOOD HIGHWAYS-In a report to the Georgia Rural Letter Carriers' Association, of which he is president, Solon W. Ware, of Woodbury, has recommended a four-point program for building up the country districts of Georgia.

Delegates from all over Georgia are meeting at the Ansley Hotel to hold their 43rd annual convention and to celebrate the "Golden Jubilee" of the rural free delivery service.

Ware's program is as follows:

1. To work for better post roads.
2. To advocate a program of rural housing, with an extension of the rural electrification lines.
3. To urge passage of a State law to keep gas and fuel taxes solely for road purposes.
4. To continue co-operation with the Georgia Farm Bureau.

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(The newspapers and magazines from which these agricultural items are taken are on file in Press Service, Room 409A. Phone Gene Harrison at 6212.)

From the New York Times, August 5 -

FOOD POLITICS CRITICIZED - Trieste - Col. Alfred Bowman of the United States Army, Allied Military Government chief in the Allied-occupied zone of Venezia Giulia, appealed today to the pro-Tito "united syndicates" not to use food as a political weapon.

In a letter to the head of the organization, he said: "In present world conditions foodstuffs cannot be allowed to become the instrument of political action. I make a most sincere appeal to you as a civic organ presumably interested in the well-being of the poor and needy wherever they may be to aid freely and voluntarily in placing in my care foodstuffs still being held back."

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ELECTRICITY ON THE FARM - Editorial - The decision of the utility industry to launch a widespread expansion of power lines in rural areas indicates that business leaders believe an extensive market is waiting on the more than 50 percent of the nation's 6,000,000 farms which do not have electric power. Recently electric light and power companies met with representatives of the American Farm Bureau Federation, the largest farm group in the country, to map plans for extending service to rural areas.

Electricity for every farm in the nation is a logical goal. It means more business for manufacturers and a higher level of employment. It also means a higher standard of living for farmers plus more efficiency in many farm operations. As electricity supersedes human muscle for power it will make farming more satisfying to able and ambitious young people. From every angle, electricity on all the farms means a better nation.

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REFORMS ADVISED IN CAPITAL MARKET - Washington - The Brookings Institution declared today that the Government must alter its regulations over the market for securities to release the flow of funds which industry will need in the post-war period.

Present regulations, it was concluded from a study conducted by Harold G. Moulton, president of the institution, were devised to meet conditions of the Nineteen Thirties, and since then the country has moved to a higher level of production and to much higher prices.

If capital markets are to supply the needed funds, securities regulations must be modified substantially, with especial attention directed toward simplification and coordination, the report concluded.

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BIG RISE FORECAST IN WHEAT SUPPLY - Chicago - Little change in the wheat situation was shown last week, but reports indicate a rapid accumulation in supplies during the 1946-47 season unless there are unexpected developments. Although domestic wheat stocks for the current season aggregate 1,233,000,000 bushels, compared with a domestic disappearance of 985,000,000 bushels in 1945-46; the Government so far has made no change in its program of curtailing consumption, and mills continue to be restricted to 85 percent of grinding capacity.

(Turn to page 2 for other items from today's N. Y. Times.)

From the New York Times, August 5 (Cont.) -

MEAT TRADE UPSET BY HIGH PRICES - Chicago - Conditions within the meat industry were declared last week to be "chaotic" with abnormal prices, despite heavy receipts of livestock, leading to packers' fears of a return of price ceilings and black market operations.

Industry spokesmen said that until the new decontrol board has given a decision on whether or not livestock and meat products will be exempt from controls the trade will continue in "confusion."

While the board must decide by Aug. 20, the packing industry fears that price control will return because of the abnormal price situation and realization that a normal supply and demand condition before that date is improbable. In the meantime, livestock feeders and producers have been going on the assumption that price controls may be reinstated and are taking advantage of the present market, packers asserted.

Indicative of the present marketing trend are the reports that cattle receipts in July were the highest in the last year and a half, that Federally inspected meat in the final week of the month was up 50 percent over the ten-year average and that meat is now being produced at a per capita rate of 200 pounds, a record high for civilian use.

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NATION'S CORN CROP IN CRITICAL PERIOD - Chicago - The corn crop last week entered the critical period of growth, corresponding to the general tasseling period, and weather conditions during the next two weeks are expected to determine the size of the crop.

A soaking rain now would assure that a record yield is secured, according to crop experts, but unless the drought is broken quickly, in many parts of the Central West deterioration will soon set in, although hybrid corn has shown a marked resistance to dry weather and can mature an excellent crop when the open pollinated variety would show considerable damage.

Growth averages ahead of last year, and with favorable weather the harvest is expected to start unusually early.

* * *

From the New York Herald Tribune, August 5 -

ARMY TO CONTINUE BREEDING HORSES - Washington - The Army announced its intention today to continue efforts to improve the quality of cavalry and farm horses, regardless of the abolition of the horse cavalry as a separate military branch.

Colonel Fred L. Hamilton, chief of the Remount Service, said a number of new animals already are being acquired in this country as breeding stallions, aside from some 250 sires and broodmares seized in Germany.

The effort to raise the standards of horses is largely self-supporting, Colonel Hamilton said. Fees up to \$10 are charged for more than 500 stallions scattered in various farm areas.

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From the New York Wall Street Journal, August 5 -

AGRICULTURE DEPARTMENT WOULD KEEP CHIEF ITEMS FREE OF OPA CEILINGS, Washington - The Department of Agriculture wants most food products freed from price ceilings by September 1.

This sentiment for almost complete decontrol of major commodities starts with Secretary Anderson and is shared by his lieutenants. It is based on these arguments.

Prices of farm products, if left unregulated, are bound to decline eventually from their current levels through natural supply-demand relationships.

In the long run, farmers will be better off if this decline starts from a "free market" price level rather than from an artificial price structure bolstered by subsidies.

Agriculture Department policy is against subsidies. Officials would prefer to remove them completely while demand for farm products is strong enough to boost prices too compensate for loss of such payments.

Both the department and organized farm groups would like to see a period of high agricultural prices without Government support. A high price level now would furnish a strong talking-point for maintaining high prices in the future.

Within the next month, Mr. Anderson must decide what agricultural commodities remain in such short supply that they should be covered by price ceilings to protect the consumer. Commodities not specifically listed by Mr. Anderson for coverage must be decontrolled.

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FARM GROUP IN CONGRESS TO SEEK HIGHER PARITY PRICES, END OF SUBSIDIES, Washington - Members of a group of farm legislators said a drive will be pressed in the 80th Congress convening in January to wipe out agriculture subsidies and increase prices.

A spokesman, Chairman Flannagan (D., Va.) of the House Agriculture Committee, said the main projects are:

1. Elimination of farm subsidies, with an open market on agricultural products.
2. Upward revision of parity formulas to include cost of farm wages.
3. Establishment of a number of Federal fertilizer experimental stations.
4. Consolidation of all Federal agricultural lending agencies.

The parity revision proposal passed both the Senate and House in various forms during the last year, but never became law.

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SUN LAMP SALESMAN TO TOUR RURAL AREAS IN 33-FOOT LUXURY BUS, Chicago - In an effort to penetrate "Main Street America" Sun-Kraft, Inc., manufacturer of Quartz ultraviolet ray equipment, has purchased a "luxury liner" motor bus to demonstrate and sell its products in remote communities.

The Sun-Kraft Limited, as the streamlined 33-foot white and gold apartment on wheels is called, will be taken on tour by members of the sales department. The first run is scheduled for the latter part of August.

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(Turn to page 4 for other items from today's N.Y. Wall Street Journal.)

Farm Digest 1675-46-3

From the New York Wall Street Journal, August 5 (Cont.) -

OPA HOLDS DECONTROL BOARD CAN'T REIMPOSE CEILINGS ON FARM PRODUCTS
ANDERSON FINDS IN ADEQUATE SUPPLY, Washington - The Secretary of Agriculture and not the new Decontrol Board holds the whip hand on what farm products will remain under price ceilings, the Office of Price Administration holds.

The O.P.A.'s legal advisers have reluctantly concluded the Board has no authority to recontrol the price of farm products once the Agriculture Secretary finds them in adequate supply and therefore exempt from ceilings.

With this interpretation vanishes the O.P.A.'s hope, indicated in an earlier opinion, that it might be able to appeal to the new three-man Decontrol Board whenever the Agriculture Secretary ordered a farm commodity freed from price curbs.

The law gives special treatment to a group of farm commodities which, O.P.A. estimates, constitute 40% of the nation's food bill. These are meats, grains, dairy products, soybeans, cottonseed, tobacco, poultry and eggs. The Board must determine whether price ceilings should be reimposed on these products. But here its power to initiate recontrol ends, O.P.A. lawyers concede.

The Board has jurisdiction over other farm commodities to the extent that it can order price ceilings removed, but not replaced, if the Agriculture Secretary does not do this and its permission must be sought by the Agriculture Secretary if he wishes to put a "free" commodity back under price control again.

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LIVESTOCK MARKETS - Nominal quotations ruled in the Chicago livestock market Saturday as only a small number of head arrived for slaughter.. Hogs were quoted at \$22 to \$24.25, with the latter price being the nominal top.

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HEAVY CATTLE RUN AT KANSAS CITY, Kansas City - Heavy liquidation of cattle last week set a new Kansas City market record in the volume of beef steer offerings. There were 838 loads of slaughter steers in the week's run. This compared with 54.6 two weeks ago and 278 loads in corresponding week of 1945.

The previous record was 625 cars of beef steers here in the week ended September 4, 1943.

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From the New York Journal of Commerce, August 5 -

OPA 'RED TAPE' SEEN SNARLING PRODUCTION UNDER NEW PRICE ACT - Red tape may foul up the administration of price relief under the new price control extension act to a point that production in many fields will be kept well below capacity levels.

This is the fear in business circles as first reports are beginning to trickle out of Washington telling about how OPA is tackling the all-important task of transplanting the intent of Congress--as laid detailed procedures.

The price agency is currently busy with the preparation of two procedural regulations--one will spell out how industries may obtain relief under the Barkley pricing formula; the other one will outline the procedure for decontrol actions.

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From The Democrat and Leader, Davenport, July 31 -

BREAD FAMINE ABOUT OVER-Marshalltown Times-Republican: August 1 is the official beginning of the "international" wheat year. Information gathered by the Wall Street Journal from all over the world on wheat and other grain crops shows Hoover was right when he told us the world famine was temporary.

U.S., Australia and Argentina in their 1946-47 crop year will have plenty of wheat and other grains to export. It looks like we will have plenty of bread and that the order to make us accept part of livestock feed in our wheat flour can now be rescinded. It never helped anyway.

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From The Kansas City Star, July 24 -

BREAD IS BEING SHARED-The "share the bread" campaign is showing in the drop in the sales of bread in Kansas City. Big baking companies throughout the city, as well, as chain stores report that the consumption of bread here is less than in several years past.

Not everyone of the big bakeries give the same reason for the below normal sales throughout the city. Yet all are willing to give some credit to the thoughtfulness of the consumer in buying only the bread needed for their tables that the starving in Europe may be fed.

Nearly every housewife is thoughtful in shopping for bread, is the report in all major stores.

Not a complaint of any sort was registered by any of the bakeries, indeed the officials seemed proud that the public had responded to the appeal to save bread for starving Europeans.

Strangely not one of the officials of the major bakeries will credit the housewife with using the skill in bread baking she brought into practice during the recent strike when bread-baking and hot biscuit, made at home, came to the rescue of home table.

"There is no rise in sales of flour to consumers so we conclude that is not the reason for the less than normal sales of bread," one official of a major bakery concluded. "It may be that the 'share the bread' campaign is in the consciousness of all shoppers."

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From The Detroit Free Press, August 1 -

WHEAT TITHE-Adrian-An estimated 25,000 persons are expected at the Adrian Fairgrounds Thursday to watch the conclusion of a six-year demonstration of man's faith in God.

In the last six years, Perry Hayden, Tecumseh miller, has expanded an original planting of 360 kernels of wheat to a final 1946 harvest of 2,666 acres--an estimated 60,000 bushels.

Each year Hayden, a Quaker, deducted 10 per cent of the crop for the church, replanting the remainder.

If the "dynamic Kernels" experiment were carried on other four years, the plantings would cover the United States Hayden asserts.

But because of a Biblical admonition to "sow the field" for six years and let it rest the seventh, Hayden is calling a halt. At 10a.m. Thursday these farmers will parade to the Fairgrounds with their wheat tithes. They will be joined by scores of others, responding to Gov. Kelly's request for wheat gifts. The grain will be processed into cereal and shipped to famine-stricken countries.

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From The Salt Lake Tribune, July 30 -

WASATCH FOREST SALES CURTAILED-With production of scarce lumber materials at a peak, applications for new contracts for sale of timber in Wasatch national forest are being refused, it was announced Monday by F.C.Koziol, forest superintendent.

Cutting of additional timber in the national forest has been curtailed for two reasons, Mr. Koziol said. The forest service has insufficient help to handle any more cruising, scaling and administration work necessary under requirements governing the sale of government timber.

Besides, timber cutting must be controlled under a sustained yield plan to provide stumpage and woods employment on a stable basis in future years," he said.

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From Chicago Daily Tribune, August 1 -

GRAIN FUTURES PRICES RISE ON REPORTS ON DRY WEATHER-Reports on continued dry weather in the grain growing regions encouraged buying of futures. The Commodity Credit corporation was reported in the market for 1-1/2 million bushels of oats for the United Nations relief and rehabilitation administration. Approximately 3 million bushels of the grain have been sold abroad in the last 10 days, much of it to England, it was reported.

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From Des Moines Register, August 1 -

BAN POULTRY EXHIBITS TO CUT DISEASE-An order prohibiting poultry shows or public exhibitions of domestic or wild birds and fowls in Iowa was issued Wednesday by Dr. C.C.Frank of the state department of agriculture.

The ban was issued as a protective measure to prevent spread of Newcastle disease, a fairly new ailment affecting poultry and feathered birds and fowl. It is effective immediately.

It means cancellation of poultry shows and exhibition of birds and fowls at the Iowa Centennial State fair Aug. 23 to 30 and at all county and district fairs. Restrictive orders banning public exhibitions also were issued Wednesday by the states of Nebraska, Illinois and Wisconsin. Minnesota took similar action about two weeks ago.

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SET TAX VALUE OF CORN AT \$1-Corn now has a tax value of \$1 a bushel and an assessed value of 60 cents a bushel in Iowa. Last year the base was 50 cents a bushel. These are average tax values.

Actually, however, corn is selling for about \$2 a bushel in Iowa. Tax officials usually equalize the value of products like corn on a stable basis. Thus, sometimes the tax value has been above the actual value and sometimes it is under that level. The tax commission also moved the assessed valuation of wheat up from 70 cents to 75 cents a bushel. The commission didn't change the values of other farm products for tax purposes. Feeder cattle are \$5 to \$7 per 100 pounds assessed value. That would be an average of \$8.33 to \$11.66 actual value. Swine nine months old or more have an assessed value of \$5 to \$6 per hundred.

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AUG 8 1946

(The newspapers and magazines from which these agricultural items are taken are on file in Press Service, Room 409A. Phone Gene Harrison at 6212.)

From the New York Times, August 6 -

LIVING COST UP $5\frac{1}{2}\%$ IN MONTH TO JULY 15 - Washington - Preliminary figures released today by the Bureau of Labor Statistics of the Department of Labor indicate that retail prices of living essentials for moderate income families increased about $5\frac{1}{2}$ percent for the month to July 15.

This increase is the largest monthly increase since the BLS began reporting figures on a thirty-day basis in 1940, and probably is the largest monthly rise since the bureau began collecting data in 1913.

Significantly, OPA controls were not in effect, nor were subsidies operative at the time of the survey on July 15.

The figures were made public today in view of the great public interest in prices at this time. Final data on July 15 food prices will be available Aug. 9.

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RETAIL PRICE RISE IN COTTON APPAREL DUE IN SIX WEEKS - Washington - The Office of Price Administration authorized increases in the prices of cotton textiles today that will lift cotton apparel in retail stores an estimated 8 percent and raise the retail price of such items as sheets and towels by about 17 percent.

The increases take effect at once at the cotton mills, which the OPA said would receive, as a result, about \$500,000,000 in additional income annually. The higher prices are expected to reach consumers in six weeks to two months.

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U. S. PURCHASES SEND WOOL SALES TO PEAK - London - Record purchases of raw wool by the United States boosted the 1945-46 world sales beyond the entire production of Australia, New Zealand and South Africa, Dominion Wool Disposals, Ltd., announced today in an annual report.

The "unexpected" demands by the United States, as well as purchases by France and Belgium, whose textile industries have made a rapid recovery, sent sales booming to more than 1,000,000,000 pounds above the world consumption estimated by the recent wool conference.

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WHEAT LOAN PRICE UP - Washington - Wheat loan rates at all terminal basing points and county stations were increased three cents a bushel to a national average of about \$1.49 a bushel by order of Reconversion Director John R. Steelman.

In a directive to the Secretary of Agriculture, Mr. Steelman ordered the increase to reflect fully 90 percent of the July 1, 1946 wheat parity price as required by law. The national average of \$1.49 cents a bushel on a farm loan basis is about 90 percent of the United States parity price of \$1.65 a bushel. No additional funds, other than those already provided, will be needed in order to carry out the provision of the order, according to the OMA.

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(Turn to page 2 for other items
from today's N. Y. Times.)

Farm Digest 1685-46

From the New York Times, August 5 (Cont.) -

CORN CROP OUTLOOK IMPROVED BY RAIN - Chicago - The possibility of a record harvest of corn this year was increased as a result of showers to heavy rain over a wide area in the central West and Southwest, allaying apprehension of drought damage, and with thunder showers forecast tonight, corn futures were under pressure on the Board of Trade today and at one time were 4-1/8 cents a bushel under Saturday's finish for a new seasonal low. Closing trades were 2-7/8 to 4 cents lower, January leading the decline.

In some parts of central Illinois it was estimated that more than two inches of rain fell in the last forty-eight hours. Experts say this is sufficient to carry the crop for a considerable time, and showers in many other sections were highly beneficial. Included in the area that received rain were parts of Iowa that have had dry weather recently. Northern Illinois and Indiana remain dry, however.

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From the Baltimore Sun, August 6 -

ANTI-INFLATION PLAN OUTLINED BY OPA GROUP - Washington - OPA's Consumer Advisory Committee today laid down a five-point anti-inflation program calling for a "strong stand" against "premature" removal of price ceilings on basic commodities, particularly food items.

The Advisory Committee said in a statement that despite "several major inadequacies" of the new price-control law "we believe the act can still serve to check inflation if wisely administered and if buttressed by intelligent consumer action."

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STATE POTATO SALES GIVEN - Joseph H. Blandford, head of the Production and Marketing Administration's office at College Park, declared yesterday that purchases of Maryland-grown early white potatoes under the Department of Agriculture's price-support program will exceed 1,000 carloads this season.

To July 26, Mr. Blandford reported, 889 carloads or 34,700,000 pounds of early Maryland potatoes had been purchased through PMA.

* * *

From the New York Herald Tribune, August 6 -

CUBAN ENVOY ASKS FREEDOM IN SUGAR SALES - Washington - Cuban Ambassador Guillermo Felt said today it would be in accordance with the Atlantic Charter to let his nation sell as much as it could offer in United States and other markets.

Speaking at a luncheon of the American Public Relations Association, the ambassador declared that if the 1937 act imposing production quotas for offshore and domestic areas is renewed by the next Congress, Cuba should be permitted to supply at least 45 percent of United States needs instead of the 28.8 percent allotted to her before the recent war.

"We do not expect this merely as a token of gratitude from one good neighbor to another, but as a sound business proposition of benefit to both countries, he added.

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From the New York Journal of Commerce, August 6 -

DECONTROL BOARD OUTLINES HEARINGS PROCEDURE, Washington - Supplementing its earlier notice of hearings next week on the recontrol of live stock, grains, dairy products, soybeans and cottonseed, the Price Decontrol Board today announced that the following provisions will govern the public hearings:

1. "All interested persons and groups, including representatives of affected industries and representatives of consumers, will be given opportunity to present their views by filing written statements. Opportunity to make oral presentations will be limited.

Written statements shall be filed on or before the date of the applicable part of the hearing relating to the commodity involved.

They shall be filed in person or by mail with the Secretary, Price Decontrol Board, Federal Reserve Building, Washington 25, D. C. If the statement is typewritten, a minimum of an original and five copies shall be filed. Twenty copies shall be filed if the statement is printed, mimeographed or mechanically duplicated.

"Interested persons and groups who desire to make an oral presentation of views at the public hearing shall file a written request for oral presentation on or before Aug. 8, 1946. The request may be delivered, mailed or telegraphed to the Secretary, Price Decontrol Board, Federal Reserve Building, Washington 25, D. C."

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NEW CANNED FOOD PRICE RULES DUE - Ceiling prices for designated canned and frozen vegetables packed and sold under the CCC 1945 subsidy program may be increased by the full amount of the subsidy on all sales made on and after 12:01 A.M., July 28, OPA officials have informed the planning committee of the National Canners' Association.

Ceiling prices on all sales made after 4 P.M., July 25, 1946, of subsidized canned and frozen vegetables included in the so-called 1946 interim subsidy program may also be increased by the full amount of the subsidy.

The statute provides that the distributor is entitled to his acquisition costs plus his March, 1946, mark-up. OPA has indicated, the report added, that acquisition cost can be no higher than the sellers' ceiling.

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HOLDS FLA. CITRUS PACKING EXCESSIVE, Tampa, Fla. - J. Adams Bruce, well known Tampa citrus processor, said today that Government-promoted expansion of citrus canning facilities during the war has created a packing so excessive that it is now a detriment to the entire economy of the Florida citrus industry.

"As a result during the season just ended," Mr. Bruce declared, "competition for fruit was so keen among canners that they offered premiums for fruit that created false values and cost canners and consumers millions of dollars."

He warned that consumer demand for citrus juices is near the saturation point and added that the situation will not be helped by the tendency to increase production to meet demands of increased canning facilities.

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HOG MARKET - Trading in hogs was slow at Chicago during early trading yesterday but prices edged higher around midday to reach a top of \$24.50, equal to the all time high established last week. Clearances of the 7,000 head salable supply there was completed and 4,5000 head went direct to packers. Western markets received 70,700 head, compared with 59,200 a week ago and 40,200 a year ago.

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From the New York Wall Street Journal, August 6 -

SUGAR PRICES are in line for another boost. The decision to stop bringing Cuban sugar into the country duty-free by the end of the year means that the price at which sugar is sold to refiners must be upped by 65 to 75 cents a hundred pounds for the raw product. And consumers will pay at least a cent a pound more for refined sugar.

The domestically-produced sweet will receive the same boost. But it won't mean more money to cane and beet growers as the Government subsidy will be reduced proportionately.

Nor will Cuban sugar interests get a share of the increase. Apparently U. S. officials foresaw the likelihood of restoring tariffs and inserted a provision in the sugar contract with Cuba allowing an increase in the Cuban price only after the ceiling price in New York exceeded \$4.865 per hundred pounds.

The present ceiling is \$4.205, leaving room for a 66-cent boost without jumping the price which the Government pays Cuba.

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DDT KEEPS KANSAS COWS CONTENTED, Wichita, Kans.- Thanks to a DDT fly control program, at least 120 million extra pounds of beef will be hung on the frames of four million cow critters in Kansas and Oklahoma this grazing season.

DDT-protected herds in Kansas last year gained 32% more weight than animals not treated, according to reports from Kansas State College. The fly-control program also is adding millions of pounds of butter and gallons of milk to the nation's supply; improving the quality of leather and making for much more contented cattle.

In these two states more cattle are enjoying DDT fly protection than in all the rest of the nation, reports Will J. Miller, secretary of the Kansas Livestock Association.

But even in Kansas and Oklahoma only a little more than half the cattle are being treated this year, largely for lack of power spraying machines.

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FARMERS VS WAGE WORKERS, Editorial - Representative Flannagan, member of the House Committee on Agriculture, outlines a program for the farm bloc in the next Congress. It includes elimination of food subsidies, free markets for farm products, revision of the statutory formula determining "parity" prices, and \$50 million for farm aid research.

Parity price revision, of course, is to be of the sort that produces higher parity prices than the existing legal formula. If food, cotton clothing and shoe leather cost the urban wage worker more, he will naturally demand higher wages.

This hounds-and-hare pursuit of wage scales after cost of living can go on endlessly--or rather, until the millions of consumers who are getting the worst of it rebel.

Even while it goes on the chase does its participants no real good. What these opposing pressure groups need is some simple and genuine "research" into what they are doing and proposing to do to one another. That requires no appropriation out of a deficit Treasury. Let farm organization leaders and labor organization leaders meet to talk things over, after having slammed the door of their conference room in the faces of the politicians.

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From Watertown (N.Y.) Daily Times, August 1 -

HEARINGS ON FOOD CEILINGS-Editorial-Hearings are now being scheduled by the decontrol board set up under the new OPA act to determine whether price control on certain essential foods will be reestablished Aug. 20th. Under the terms of the act, such price control is to be reestablished unless, in the opinion of the decontrol board, ceilings are no longer necessary.

We hope these hearings will be of a different character than those held before congressional committees at the time the OPA was up for consideration.

From this testimony, one could only infer that the milk producers were unanimous for an end of price control and the immediate elimination of the milk subsidy. So far as we can recall, not a contrary view was expressed by anyone claiming to represent the farmers. We up here in the heart of one of America's greatest milk belts know that there was an still is strong sentiment among the farmers, themselves, for the subsidy but congress was given an entirely contrary view. Nor was any reference made to the fact that the New York state legislature had gone on record in favor of a continuation of the subsidy.

The decontrol board should make it a point to hear from the people and not simply from the high pressure lobbies.

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From The Memphis Commercial Appeal, August 3 -

BOOST TO \$70 PER TON IN COTTON SEED PRICE IS ASKED-Washington, Aug. 2-Three cotton belt senators Friday joined in a petition to OPA Administrator Paul Porter asking that the price of cotton seed be set at \$70 per ton at the oil mills.

The present supported price of cotton seed is \$56 per ton at the gin. Senator Eastland (D., Miss.) prepared the brief in support of their plea. Others joining in are Senators Russell (D., Ga.) and Maybank (D., S. C.).

Increased production costs have made the upping of cotton seed prices necessary if the planters are to make a profit, the Eastland brief states. It points out that for many small cotton farmers the seed represents the real cash money for their year of work.

Other competitive products in the field of fats and oils are far more profitably priced, it was contended.

"The price the farmer receives for cotton seed has actually decreased during the war," Senator Eastland maintained.

"In 1941 Price Administrator Henderson announced that \$60 per ton was a fair price for cotton seed based upon the cost of production at that time. Since 1941 the cost of living has increased 34 per cent, while the cost of producing cotton and cotton seed has increased 100 per cent."

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From St. Paul Pioneer Press, August 3.-

SHORTAGE OF GRAIN CARS INCREASES-The grain car shortage took a turn for the worse Friday when the number of plugged country elevators in this area, meaning those unable to accept grain from farmers due to lack of cars to keep it moving out of terminals, jumped to a new high total of 464.

The blocking of that many elevators before the heavy movement of grain has really begun was regarded by railroad men as significant, not so much of itself, since it might change from hour to hour, but as a symptom of much more severe grain car lack that they see coming.

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From Chicago Daily Tribune, August 2 -

23 OUT OF 5,000 CATTLE BRING TOP SALE PRICE-Five thousand cattle sold at the stock yards yesterday. Only 23 of them brought the top price of \$27 per hundred-weight. These were prime long fed steers.

Black market operators who hope for restoration of livestock ceiling prices so they can continue to rake in millions of dollars thru illegal dealings are responsible for the big money now being paid for some prime cattle, dealers charged.

A trip thru the yards during the morning selling hours revealed that most animals were not going at fancy prices. In the week ended June 28, when OPA ceilings were in effect, the price of all types of cows averaged \$11.48. This week the same type of cows is selling for \$11. Deducting the \$1.25 subsidy that the consumer paid in taxes under OPA, the cows this week are selling for only \$9.75, compared with the old OPA price of \$11.48, traders explained.

Steers of the long legged thin variety now are going at between \$17 and \$19 a hundredweight. Under OPA, the same type of animals sold for from \$16 to \$17. Added to this, however, were subsidies totaling \$3.50.

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From The Boston Christian Science Monitor, August 2 -

MERCHANTS GREET NEW OPA WITH WIDELY VARIED COMMENT-New York, Aug. 2-Strange things are happening on the wholesale and retail fruit and vegetable produce market in these days of the revived Office of Price Administration.

The market is a contrast in attitudes toward price controls. Certainly the majority of dealers have shown a willingness to comply with the Government agency.

Others are sullen and are doing a "black market" business in the old way.

In the wholesale produce market, OPA's return has eliminated the old atmosphere of gambling. Selling beans is no longer strongly competitive, for instance.

"Everybody now charges OPA ceilings for his beans. Even \$2 beans sell for the ceiling of \$3.16," according to Tom Butts, Marketing Specialist for the United States Department of Agriculture.

After some 18 years spent in observing the New York fruit and vegetable market for the Department, Mr. Butts is convinced that American consumers are being cheated of "billions of dollars."

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FOOD UNIT SEIZES KEY U.N. ROLE-Washington, Aug. 2-The Food and Agriculture Organization, originally cast in a minor role in the United Nations, has distinguished itself by taking an unexpectedly active and effective part in world affairs during the past year.

It was anticipated and planned, when the organization came into official being last October in Quebec, that the F.A.O. would concern itself only with the long-range aspect of food and agriculture.

But events decreed otherwise. The new organization hardly had taken its first infant steps when it was drawn into the food crisis.

Swift action followed and last February the F.A.O. announced that it would take responsibility for mobilizing world resources to meet the emergency.

A few weeks later a date was set -- May 20 -- for a special meeting on urgent food problems to be held in Washington and attended by representatives of 22 nations.

As a result of this conference a new 19-nation International Emergency Food Council has been set up to replace the three-nation wartime Combined Food Board, composed of the United States, United Kingdom, and Canada.

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(The newspapers and magazines from which these agricultural items are taken are on file in Press Service, Room 409A. Phone Gene Harrison at 6212.)

From the New York Times, August 7 -

VAST GAIN IN FOOD HELD WORLD NEED - Washington - To meet the needs of the world for food adequately, vast increases in production, representing roughly twice the total supplies available before the war, will be required, according to a report issued today by the Food and Agriculture Organization of the United Nations.

The report was prepared with the aid of experts loaned by other agencies for use at the annual FAO conference scheduled to open Sept. 2 in Copenhagen. It is based on data from seventy countries whose people make up 90 percent of the total world population. The report concludes that "about half the world's population was seriously undernourished in the years before the war, about one-sixth was eating at a marginal level, and somewhat less than a third enjoying high-calory diets."

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STRIKE THREATENS JERSEY TOMATO CROP - Camden, N. J. - The Campbell Soup Company refused today to agree to a closed shop at its plants here and in Chicago, and the Food, Tobacco, Agriculture and Allied Workers Union, CIO, announced that 10,000 employes would strike here on Monday. The union will set a "later date" for the strike at the Chicago plant, which employs 4,000.

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CANADA GETS MORE SUGAR - Ottawa - The Dominion Government has authorized an increase in the sugar ration of three pounds per person for each remaining month of the present year.

Although world sugar supplies remain below requirements, stocks have improved sufficiently to allow an increase in the sugar ration to domestic consumers, industrial users and quota users.

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COTTONS TO MOVE AT FASTER PACE - Cotton textiles will move in substantial volume for the balance of the month under the impetus of new ceiling prices, according to trade sources yesterday. Few sellers in North Street, however, will sell beyond the end of August because of the uncertainty of raw cotton prices.

Textile men, along with cotton traders, are awaiting the Government report to be released tomorrow morning which will indicate the official estimate of the 1946-47 cotton crop. The estimate, it was stated, will prove the decisive factor in the price trend of the staple.

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COTTON AFFECTED BY PROFIT-TAKING - Reflecting a disposition to take profits before issuance of the Government report tomorrow, the cotton futures market on the New York Cotton Exchange closed yesterday near the lows of the day, 16 to 46 points net lower than Monday's final prices, with the distant months relatively easier than the nearer ones.

From the New York Times, August 7 (Cont.) -

EUROPE IS GETTING TEN-IN-ONE RATIONS - CARE, the Cooperative for American Remittances to Europe, now has half a million food packages in its warehouses and stockpiles in Europe, two-thirds of which already have been purchased by Americans who wish to help supplement the diets of friends and relatives overseas, it was announced yesterday.

Distribution of the packages has begun in Czechoslovakia, Italy, the Netherlands, France, Finland, Norway, Austria, Greece and Poland, and will get under way soon in Germany and Belgium, the organization reported.

Packages sent through CARE, which guarantees delivery, are surplus Army Ten-in-One rations, purchased through the War Assets Corporation. CARE has obtained 3,000,000 of the rations.

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RUSSIAN HARVESTS EXCEED LAST YEAR - Moscow - Russia's farms are yielding the first great post-war harvest. I. A. Benediktov, Minister of Agriculture, announced in Izvestia today that by Aug. 1 more than one-third of the grain crops has been reaped--39,500,000 acres more than on the same date a year ago.

The speed of the harvest is matched in many areas by its richness. Collective and state farms in the Krasnodar area have already delivered more than 630,000 tons of grain crops, according to Mr. Benediktov, and in the Stavropol region the state has received more than 210,000 tons.

* * *

From the New York Journal of Commerce, Aug. 7 -

HIGH COTTON PRICE CALLED DISASTROUS - Recent price gyrations in the cotton market pose the question: Who benefited by the advance in prices? Has the farmer benefited, the textile industry, or, the nation's economy as a whole.

It is a fact that farm real estate values have advanced 75 percent from the 1935-39 average. Farmers are borrowing money from banks and purchase with it more land at inflated prices. This operation is based on the thought that the higher the price of cotton, the higher will land prices go. Economic history teaches that farm land inflation brought disaster in the past. This truism is being ignored at present.

- - -

U. K. COTTON STOCKS AT 2,448,000 BALES - Liverpool - The current volume of raw cotton arrivals was reportedly smaller than normal and confined mainly to Egyptian, Sudan and African cottons. Allocations for distribution to spinners continue to average around 30,000 bales weekly, principally Brazilian, Argentine, United States, Egyptian and Sudan descriptions.

Total stocks of all kinds of cottons in Britain on May 31, last, are officially given as 412,000 tons, while stocks held abroad or afloat are estimated at around 200,000 tons.

* * *

From the New York Journal of Commerce, August 7 -

SENSITIVE PRICE INDEX LOWER AS FARM COMMODITIES DROP - As the time draws near for the opening of the Decontrol Board hearing, some commodity markets appear to be backing away from the high levels that have prevailed for the past few weeks.

Cash grains fell off sharply yesterday and prime beef and hogs receded from record highs established in the past week.

As a result The Journal of Commerce daily index of 30 sensitive commodity prices declined a point and a half to 238.1, the first setback in over a week of trading days.

Another factor was the irregular market in raw cotton, attributed to the imminence of the Government crop report.

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HOUSE GROUP OFFERS LONG RANGE FARM PLAN, Washington - The House Postwar Economic Policy and Planning Committee declared today that in the future the Government should scrap most of its controls on farm production and prices, "except during severe depressions."

The group headed by Representative Colmer (Dem., Miss.) outlined a long-range program designed to achieve a "prosperous and progressive agriculture," in its tenth report to the House.

It explained that it sought a blueprint sufficiently adjustable to "maintain the family farm and make use of modern technology."

The committee recommended these long-range objectives:

(1) Return to a system where flexibility of agricultural prices, largely controlled by supply and demand, will replace the prewar system.

(2) Programs and facilities to aid the farmers to make shifts to more productive activity either on the same farm or on better farms or in non-farm employment.

(3) Maintenance of a high level of income and employment throughout the nation.

(4) Development of a broad program to enable farmers to adopt more modern techniques of farming.

(5) Improvement of rural education.

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MOVEMENT OF BEET SUGAR PICKING UP - Reports in sugar circles yesterday indicated that movement of Western beet sugar into the deficit areas is picking up slowly, with full relief in the immediate future contingent upon the success of moves to furnish beet refiners with sufficient boxcars.

- - -

BUYERS' RESISTANCE - Some reports yesterday indicated that retail grocery buyers were showing a decided buying resistance movement, refusing to consider goods where possible to offer on the basis of prices alone, demanding from salesmen samples on all offerings, and at the same time calling for quality goods. There were also reports that wholesale grocery buyers, in some instances were refusing to consider packers offerings without prior sampling.

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(Turn to page 4 for other items from today's N. Y. Journal of Commerce.)

Farm Digest 1715-46-3

From the New York Journal of Commerce, August 7 (Cont.) -

WISCONSIN PEA PACK OFF - Canning pea production in Wisconsin this year was not quite as large as in 1945 but for the nation a record high production is reported, according to the Crop Reporting Service of the Wisconsin and United States Departments of Agriculture.

Wisconsin continues to be the largest producer of peas for canning, and this year the State's output was about one-third of the nation's production. The State's crop this year is more than double the one harvested in Washington which is the second-ranking State in canning pea production.

- - -

DECLINE CONTINUES IN GRAIN FUTURES - Grain futures continued their downward trend at Chicago yesterday partial rains over the corn belt with more moisture predicted, weakness in cash markets and a private forecast of all-time record domestic wheat, oats and corn crops this year.

The country was offering corn quite freely with farmers anxious to take advantage of recent very high price levels and it was believed that many were feeding other grains, principally oats, which were being offered in very limited volume. Since the recent decline there has been a marked diminution in country selling of oats which were quoted at unusually sharp discounts under corn.

Cash corn buyers were backing away from the market, however, with bids being progressively lowered during the session and at the close No. 2 yellow at Chicago was 13c to 16c below Monday's levels, the sharpest setback since controls lapsed more than a month ago. Growing caution was attributed to fears that prices will be rolled back on Aug. 21. Bids for new crop corn for December 15 delivery were lowered to \$1.31 compared with \$1.34 yesterday.

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HOG MARKET - Trade in hogs was at a slow pace at Chicago yesterday and prices averaged lower on all weights with a top of \$24 contrasting with \$24.50 the previous day. Salable receipts amounted to 7,500 head, while 4,000 went direct to packers.

Marketings at Western markets continued to run ahead of a week ago and last year with farmers sending in many lightweights, influenced by high feed prices and the possibility of a rollback in prices on Aug. 21.

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U.S. COTTON PRODUCTION ESTIMATE FOR 1946 - Production of cotton in the United States for the 1946-47 season is estimated by The Journal of Commerce as of Aug. 1 at 9,095,000 bales of 500 pounds gross weight each. This shows a small advance over the 9,015,000 bales produced in the 1945-46 season. Except for the season just ended, the new crop is the smallest since 1921 when 7,954,000 bales were harvested.

Condition of the crop is placed at 68.0 per cent of normal. The yield per acre under present indications averages 243 pounds for the entire United States. The relatively low condition of the crop at the end of July compares with the 67.7 per cent at the same time last season and with the 68.5 per cent in 1941 when 10,742,000 bales were harvested on 23,130,000 acres.

Acreage for harvest on which the present estimates is based is 17,991,000 acres as reported by the United States Department of Agriculture on July 8, less the ten-year average abandonment. The area planted to cotton this season is only 500,000 acres more than in 1945-46, and is otherwise the smallest in sixty years.

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From Chicago Daily Tribune, August 3 -

GRAIN COUNCIL OPENS WAR ON NEW CONTROLS-The grain trade intends to show President Truman's new price control board that controls on grain are not only unnecessary but will hinder the marketing of grain, Richard F. Uhlmann, who is representing the Chicago Board of Trade in drawing up briefs to be presented to the board, said yesterday. The briefs will be presented sometime next week. They are being prepared by a committee consisting of Uhlmann and representatives of the Kansas City Board of Trade, the Minneapolis Chamber of Commerce, and the National Grain Trade council.

The council, which includes in its membership all 27 of the country's grain exchanges and five nation-wide grain and feed trade associations, will submit the briefs and also endeavor to obtain a hearing before the price board.

Uhlmann said the grain trade bases its belief that price control should not be reimposed on grain on these factors: 1. This year's huge production of the three main grain crops; 2. Decreased demand for American grain for foreign requirements and domestic live-stock feed; 3. Previous controls were unenforceable and resulted in "black markets from one end of the country to the other."

From The Commercial Appeal (Memphis), August 4 -

COTTON COMMENT By Gerald L. Dearing-The MidSouth cotton crop presents a picture of a series of oases of fertility, bumper crops and good prospects, surrounded by a desert of scrawny, insect-infested cotton which is about lost in the grass, according to the letters received from farmers, ginnermen and merchants in all parts of this area.

Prospects, according to the word of the correspondents, range from 60 percent of a normal crop to a yield equal to the record-breaking outturn of 1944, with the overall picture one of uncertainty tinged with hopefulness. There have been plagues of rain and showers, inability to remove the grass from the fields in many instances and other factors until, as one writer puts it, you can find any crop condition you want within a radius of a few miles so spotted is the condition.

From The Kansas City Star, August 4 -

AWAIT DECONTROL MOVE-Fear of a return of OPA controls to livestock and meat on August 21 was a big factor in the rush of cattle to market here last week. The weather influence also was prominent, however.

Drought conditions have been reported in many areas of the West for some time and now Kansas and Oklahoma pastures are drying up.

As to livestock, there have been sharp advances to new all-time highs for cattle and hogs, although tops have not pushed very far above the World War I peaks. These new tops, however, were offset in the cattle department by sharp price declines the last week on most of the grassfat steers and cows.

VA. FARM TRAINING SET By Robert H. Clark-Plans for training Kansas veterans to become skilled farmers under the GI bill were completed today by the State Board for Vocational Education and the Veterans administration, with the same benefits as are offered for on-the-job training in other lines of work. Any veteran interested in farming, who has served ninety days on active duty and has an honorable discharge, may receive one year of training, plus one month's training for each month in the armed forces, provided the course requires that much time, according to the plan.

From The Salt Lake Tribune, August 3 -

FAMILY SUGAR BONUS ASKED-In a letter maintaining that unless Utah housewives are given an extra sugar allotment, 25% of the state's pear, peach and apple crop might be left rotting on the trees, Gov. Herbert B. Maw appealed to U. S. Secy. of Agriculture Clinton P. Anderson to take action to correct the problem.

Gov. Maw said that unless special consideration is given in the immediate future, home canning in Utah, which reached a peak of 18,489,000 quarts in 1944, would drop off to less than 3,000,000 during the current year.

From the Chicago Journal of Commerce, August 5 -

ONLY PARTLY FREE (Editorial)-Fear of the return of price ceilings on meat continues to influence buying at the nation's stockyards. Technically there is a free market, but actually it is not free in view of the possibility that the super-OPA board may reimpose price controls on Aug. 20 and override the judgment of the Department of Agriculture that the meat situation will work itself out if the controllers will stay out of the picture.....

The reason for spirited bidding for hogs of late is that the packers have been competing with each other to acquire pork and process it and get it out of the country before Aug. 20. Much of the pork bought in Chicago last week is headed for the Caribbean, but now the competition for hogs is about over, because the period in which the meat can be processed and exported before Aug. 20 is narrowing.

In leaving this loophole for the comeback of OPA in meat--and the rebirth of the black market--Congress has depleted the pork supply of the American people. The lawmakers did so against the advice of the Department of Agriculture and in the face of the record in the period before OPA's revival that free markets had a wholesome influence.

BRITISH FIND U.S. PRICES HIGH, TURN ELSEWHERE TO SPEND LOAN, Only Part of First Draft on 300 Million Advance Going Into American Goods By John Scali-Great Britain has begun to spend part of the recently granted \$3,750,000,000 American loan, but only for limited purchases, embassy officials disclosed today. High American prices were described as a factor in the holddown.

The first drafts on the \$300,000,000 advance the United States deposited in New York have been drawn already, they said, but exactly how much has been spent has not been determined. These officials, who would not be quoted by name, said the initial slice of the American credit would pay for "essential purchases" such as dried eggs, American cotton, motion picture films, wheat and other food items.

From The Democrat and Leader (Iowa), August 4 -

EXPECT RECORD ATTENDANCE OF 500,000 AT STATE FAIR- A record-breaking attendance of 500,000 persons is expected for the Iowa Centennial State Fair Aug. 23-30. Previous all-time high in Iowa fair attendance was 435,385 persons in 1929. After a depression slump, attendance rose again during the mid-30's and reached 430,907 in 1938.

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From The New York Times, August 8 -

WORLD FOOD CONTROLS PROPOSED TO SEE THAT ALL PEOPLES ARE FED-Washington-A suggested program of international action "to ensure that sufficient food is produced and distributed to bring the consumption of all people up to a health standard" is presented in a report made public today by the Food and Agriculture Organization of the United Nations.

Definite proposals for a long range world food policy, including the suggested establishment of a World Food Board to administer it, are contained in the report. It was prepared at the request of the Special Meeting on Urgent Food Problems in Washington last May for submission to the FAO conference opening in Copenhagen Sept. 2.

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PRIVATE AGENCIES ACT TO FEED WORLD-Private agencies for foreign relief prepared yesterday to increase their programs as a result of the cabled announcement from Geneva that Fiorello H. La Guardia, director of the United Relief and Rehabilitation Administration, had recommended the liquidation of UNRRA beginning Oct. 1.

The first private organization to announce an accelerated program was the American Friends Service Committee, when Clarence E. Pickett, executive secretary, reported a revision of its planned budget for civilian relief in Austria. The appropriation of \$400,000 for this task will be increased to \$600,000.

With operations conducted in forty-four countries of Europe and Asia, the Rev. Edward E. Swanstrom, assistant executive director of the war relief service of the National Catholic Welfare Conference, released statistics indicating the scope of its current program.

Another organization prepared to accept additional burdens, when UNRRA is discontinued, is the Polish Y.M.C.A., operating in Poland and England under the guidance of the World's Y.M.C.A.

Another indication of the amount of supplies sent to various countries by organizations working for specific nationality groups was shown in a report from American Relief for Italy, which announced a new record of 13,869,908 pounds, of which 1,707,056 pounds consisted of milk for children.

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COTTON PRICES UP 14 TO 27 POINTS-The futures on the New York Cotton Exchange closed yesterday very steady, 14 to 27 points higher than on Tuesday reflecting covering and price fixing.

The market opened 8 to 16 points higher than the preceding close, then broke on liquidation and at the low prices were down 25 to 38 points net on active months. The profit-taking subsiding in the early afternoon was in moderate volume.

(Turn to page 2 for other items in today's N.Y. Times.)

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From The New York Times, August 8 -

CORN FUTURES RISE ON SHORT COVERING-Chicago-Buying by cash and commission houses combined with short covering gave the corn and oats markets a firm undertone on the Board of Trade today. Corn closed at the top with gains of $1\frac{7}{8}$ to $2\frac{1}{8}$ cents a bushel, and oats finished $7/8$ to $1\frac{1}{4}$ cents up. Feed barley rose $\frac{1}{2}$ to $3/4$ cent.

The recent break in the corn market was named by brokers as a factor in inducing buying, to which the market responded quickly.

Cash corn, however, continued weak, with spot prices off 2 to 3 cents. No. 2 yellow sold at \$1.87 a bushel, lowest since June 30, when the ceiling price was in effect and was \$1.46 $\frac{1}{2}$. No. 2 yellow corn declined 6 cents, with \$1.80 bid for a ten-day and \$1.83 for a five-day shipment for the country.

Owing to continued dry weather and reports that new corn would move to terminals unusually early this season, elevator interests bid freely for new No. 2 yellow, offering 3 cents under January for shipment by Dec. 15.

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From The New York Herald Tribune, August 8 -

NEW GRAIN ALLOCATIONS STUDIED BY DISTILLERS-Distillers were studying yesterday the new basis of grain allocations for whisky and spirit making this month, issued Tuesday by the Department of Agriculture, and although no official comments were forthcoming, there was evidence of considerable confusion as to how the new allocations were going to work out in actual output totals.

The major concern expressed was over the fact that the actual amount of grain to be made available for whisky making will be reduced from the July total with the balance of production to be made up from potatoes. According to industry observers, the catch in this new arrangement is that several of the country's major distillers are not using potatoes and have refrained from doing so on the grounds that it did not fit into their production program.

Unless these distillers swing over to the use of potatoes, which have been used solely up to now for making spirits for blending, they will be penalized on their August production.

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U.S. TO CUT FOOD TO JAPAN-Washington-The United States plans to reduce food shipments to Japan because of better crop prospects on the Japanese mainland, diplomatic officials said today.

Deliveries of cereals, beans, peas, sugar and fats will average about 125,000 tons monthly during the rest of the year, compared with a 140,000 tons monthly average March through July.

Brighter prospects for the 1946 Japanese rice crop, which is expected to surpass last year's yield, are given as the major reasons for the reduction.

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From the New York Journal of Commerce, August 8 -

WHEAT CONTROL LIKELY TO CONTINUE, Washington - Continued decontrol of wheat prices will not be opposed by the Office of Price Administration, which also favors the continued decontrol of oats, it was learned today.

However, high officials at OPA believe that corn should be placed back under control of Aug. 20 and the controls should continue for perhaps "two or three months," it was stated.

With the Price Decontrol Board scheduled to act by Aug. 20 on the question of continuing the decontrol of grains, price agency officials disclosed that they will probably not make any formal recommendations on the grains to PDB, unless it is specifically requested.

Concerning wheat, the officials at the OPA think that restrictions on the use of wheat should be lifted before it is decided to continue this grain free of maximum prices. With the supply-demand situation a factor which the law requires PDB to investigate, it would be inappropriate to find that there is a plentiful supply while use restrictions must remain in effect, it was pointed out.

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COMMODITY PRICE LEVEL DIPS FOLLOWING CORN, HOG DECLINES - Continued pressure from the grain and livestock markets forced the commodity price level down for another day.

With many major markets such as coca, coffee, naval stores, textiles and metals dormant, the sharp declines in corn and hogs pushed The Journal of Commerce daily index of 30 sensitive commodity markets back to 235.8 yesterday, 2.3 points under the previous day and a loss of 1.6 per cent since Monday.

The improved position in butter advanced the food group and textiles registered a small advance in the wake of raw cotton.

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PRICING CONFUSION RETARDS WOOL SALES IN BOSTON MARKET, Boston - Interpretation of the new price control bill has left the local wool market somewhat confused and has resulted in cessation of trading in some instances until the situation clears.

OPA officials maintain that controls on wools were reimposed as of July 25 when the new Stabilization Act became effective but some dealers disagree, it is reported, insisting that the amendment to Section 14 of the new bill leaves wool free of controls until OPA issues a new list of ceilings. The controversy has held up consummation of some sales since many dealers do not desire to sell while a state of confusion exists.

Meanwhile dealers who were willing to sell at prices not exceeding the old ceilings found customers anxious to buy all foreign stocks offered.

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SOME ADVANCES RECORDED FOR EGGS- Eggs--Receipts Aug. 6, 26,745 cases. Shell egg markets continue very irregular but the general position rules firmer. In some cases prices are a little higher than recently. However, there is a very ample supply of fully useful qualities of Midwestern goods in a general range of 43a46c.

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(Turn to page 4 for other items from today's N. Y. Journal of Commerce.)

Farm Digest 1725-46-3

- 4 -

From the New York Journal of Commerce, August 8 - (Cont.)

MILLS LIMIT FLOUR TO HARDSHIP CASES - With the exception of occasional small mill releases of flour for hardship cases there was a continued absence of activity in bakery flours for the domestic trade yesterday although further offerings of family flours were reported.

Criticism of Government handling of the flour problem was widespread among millers and bakers and it was expected that offerings of flour will be very small until future price policy has been determined by the Decontrol Board.

Tending to further intensify the price squeeze was a downward trend in millfeed values.

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NATIONAL PEANUT COUNCIL APPROVES AD CAMPAIGN, Memphis - Three new research projects and an appropriation of \$190,000 for national advertising of the "goober" were approved by the National Peanut Council at a meeting here.

The research projects included: A nutritional project at the Southern Research Institute, Birmingham; an insect infestation project at Georgia Experiment Station, Experiment, Ga., and a new research laboratory, place and type to be decided later.

Directors of the council also asked the United States Department of Agriculture and the Civilian Production Administration to insure peanut growers nail supplies needed to harvest. Some members were quoted as saying the present crop was threatened because of scarcity of nails for stocking.

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SOUTHERN MARKETS AWAIT NEW CROP, New Orleans - Spot activity in the south central belt was sporadic during the week as mills hesitated to make commitments until futures became more settled. Locally, there was a fair amount of inquiries whenever the market showed signs of leveling off.

Business was booked in both old and new cotton with most business done in nearby shipments and a comparatively small turnover in the more distant positions. A good many mills remained aloof pending a more stable market.

With persistent showers continuing in the Southeast and South Central districts, weevil threats increased as late cotton fell victim to these pests throughout the Delta, east Texas, Alabama and the Atlantic States. On the other hand, dry conditions caused increasing concern in northwest Texas and Oklahoma with no indications of relief from the drouth over the week-end.

With weather conditions mostly unfavorable after mid-week, the average of the initial crop estimates of the season were around 9,500,000 bales. Adding force to this limited American yield was the statement from Washington that the carryover on July 31 was around 7,600,000 bales against 11,200,000 bales carried over on Aug. 1, 1945.

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From the New York Wall Street Journal, August 8

PROCESSORS OF SOME CANNED FOODS GRANTED PRICE RISES, Washington-The Office of Price Administration authorized processors of some canned foods to increase prices by the amount of subsidies removed. Price increases will be passed on through wholesalers and retailers to consumers, the O.P.A. said. As a result of the action, the agency said, consumers will pay from 1 to 2 cents more a can for canned corn, peas, tomatoes and tomato products, and 1 cent a 12-ounce package more for frozen corn and peas.

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Farm Digest 1425-46-4

From the Chicago Journal of Commerce, August 6 -

DAIRY PRICES (Editorial)-Whether or not dairy products go back under controls, the real prices on them cannot be reduced appreciably, the American Dairy Association points out, unless the prices of the things the country's 5,000,000 dairy farmers buy also go down.

It is deliberate, long-range government policy to maintain the general level of returns to dairy farmers in order to encourage production. Chester Bowles, as economic stabilizer, said on April 15 of this year that dairy farmers in many areas were being squeezed by higher feed and labor costs and were entitled to quick relief. Added to these OPA-ordered increases, was the emergence after June 30 of the hidden costs of dairy foods, the 16 percent of the consumer's dairy-food bill that he was paying to the government in the form of taxes to support subsidies until July 1. Even so, the ADA estimates that current industrial average hourly earnings will buy as much milk at today's free prices as they bought in any war year, when the subsidy factor is considered. Those earnings, the association adds, will buy 1.2 quarts more than in 1939, 1.5 quarts more than in 1934, 2.4 quarts more than in 1929 and 3.8 quarts more than in 1914.

If the President's board decides that dairy foods must be recontrolled, price reductions can be made only by bringing back subsidies. "There cannot be any lowering of prices without lowering of costs," says the ADA. "There can only be a shift in the way you pay."

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From The Kansas City Star, August 5.-

BEEF RUNS HOLDS-Despite last week's declining market, the heavy rush of cattle through the Kansas City stockyards continued today. Estimated cattle receipts were 28,000 compared with 27,658 a week ago and 20,995 a year ago. Kansas City continued to be the nation's No. 1 market as Chicago reported 15,000 cattle.

Even with this sharp setback in the grass cattle market, the influx from the blue stem country of Kansas and Oklahoma continued, and cattle dealers here saw the threat of a meat shortage this winter in the early emptying of the ranges.

Dealers here now believe the July runs have exhausted the Kansas and Oklahoma herds originally scheduled to reach market later this fall. Feeders are hesitant to buy cattle because of the fear that OPA controls will be reinstated August 20 when President Truman's specially appointed decontrol board begins an investigation of the livestock industry to determine if conditions require a return of price regulations.

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BANQUET IS NO TREAT, from the Ohio State Journal-A writer in New York has lashed himself into a rich foamy lather urging that banquets be discontinued to save food. One would gather from his excited remarks that the banqueteer of today gorges himself to the point of exhaustion on a dozen different kinds of meat until he is borne groaning from the table.

Maybe it is different in Pittsburgh. Fact is, food wasted at banquets these days, and nights, wouldn't extend the lease on life for many famine sufferers, even if they could get it before it reaches the garbage can. Banquets aren't what they once were. A banquet is something that starts out with two glasses of ice water and an olive and ends up in a cloudburst of oratory. So far as the food is concerned, it isn't much different either in quality or quantity from the 75-cent blue plate lunch. The banquet is not a menace to the food conservation program. It's a good place to go if you're on a reducing diet.

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From the Watertown Daily Times, August 3 -

MILK POOL DECISION MAY BE RETRACTED, Washington (UP)-The agriculture department has announced that it might be willing to reconsider its previous decision opposing a "super pool" for dairy producers in the New York milkshed area. The pool first was proposed by milk handlers in the New York area as a method of making up the loss of government milk subsidies to their producers. The government's subsidy program lapsed with dairy controls June 30.

The department's position was disclosed in a telegram from Secretary of Agriculture Clinton P. Anderson to C. Chester Dumond, New York State Commissioner of Agriculture and Markets. Anderson said it still was hoped that dairy producers could hold the price line in effect when OPA lapsed, but conceded that producers face an uncertain period until the new decontrol board decides when dairy controls should be revived. "Without implying agreement or commitment," Anderson said, "we suggest that representatives of the department and the market administrator confer with you and others to determine whether it is possible to make satisfactory arrangements for operations of a 'super pool'".

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From Amarillo Sunday News-Globe, August 4 -

STUDY PLAINS FEED CRISIS, Washington-"Every possible consideration" of emergency requirements for protein feeds in the Panhandle area will be given in making August allocations, Rep. Eugene Worley said today. He conferred with Commodity Credit Corporation officials today to tell them again of the drouth conditions in the Panhandle and to urge them to take this into consideration when they make the allocations next week.

"They were very cooperative," Worley said. "They assured me they will give us every possible consideration in the light of emergency conditions there."

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From the St. Louis Post-Dispatch, August 2 -

CONGRESS'S DOUGHY MESS, Editorial-Flour mills, including two in St. Louis, are shut down. Others are operating at a loss. It is because Congress, by will of the Senate, exempted wheat from rest red OPA controls. Because the Senate wanted to give wheat growers a little special gravy, millers, their employes and customers and ultimate consumers are in a hole. With the loss of wages, idle mill employes will remember their Senators; those in Missouri will particularly remember Forrest Donnell, who helped vote the controls off grain.

The mill owners have still another grievance. Congress dallied until the last moment and then produced an OPA bill which deserved the veto it got. In the subsequent flare of uncontrolled prices, some wheat now being processed was bought as much as 26½ cents above the old ceiling. Whatever price OPA finds reasonable on flour, the millers are threatened with a stiff loss on such grain.

Members of Congress who caused this mess thought themselves very shrewd. They are mistaken.

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From The Milwaukee Journal, August 4 -

WHY PRICES ARE GOING UP, Editorial-The United States bureau of labor statistics recently completed a survey of labor costs in 31 industries. In these industries, only two had lower unit labor costs in 1945 than in 1939. Wages have shot up and output per man-hour has not offset this rise. Take cotton goods. Wages have increased 74.4% and output per man-hour only seven-tenths of 1%.

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(The newspapers and magazines from which these agricultural items are taken are on file in Press Service, Room 409A. Phone Gene Harrison at 6212.)

From The New York Times, August 9 -

CABINET REJECTS WORLD FOOD PLAN-Washington-The proposals for a World Food Board, published yesterday by the Food and Agricultural Organization, already have been unanimously rejected by the Cabinet of President Truman. There is also reason to believe that the United Kingdom may support the United States' position at the international conference at Copenhagen on Sept. 2 which will consider the proposed board.

The plan for an international body to control prices of international food commodities by "buffer stock operations" is referred to by agricultural experts as "the Orr Plan" because Sir John Boyd Orr, Director General of the FAO, is regarded as its principal author.

It also is described as an internationalization of the "ever-normal granary" plan instituted in the United States by Henry A. Wallace, as Secretary of Agriculture, in the 1930's.

Because of the alluring possibilities which the Orr plan would hold for countries whose economies depend on exports of agricultural commodities, and as well, for those countries short on food which would benefit from the relief aspects of the plan, the United States is not expected to have an easy time side tracking the Orr proposals. The possible help of Great Britain would not avert difficulty, it was said.

In any event, the plan is expected to provoke a fight which will be the highlight of the Copenhagen conference.

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ANTI-U.S. TREND GROWS IN INDIA: FOOD SHIPMENTS AROUSE HOSTILITY-New Delhi-This subject country, looking forward to its own independence and a greater role in world affairs, is watching with considerable interest--and rather critically--the development of American economic and political policies. India--or at least its few literate millions--seems to be experiencing a tendency toward what might be loosely termed "anti-Americanism."

The tendency ranges from mere doubts to suspicion and outright hostility.

This distrust extends to the food problem. India experienced bitter disappointment this year over what she considered insufficient allocations from American granaries, and the disappointment is not lessened by stories from the United States describing American "wastefulness" and "gluttony."

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CALLS WHEAT FIGURE LOW-Washington-William P. Bonar, president of the Millers National Federation, predicted today that the Agriculture Department's wheat crop estimates would be revised upward with the harvesting of the current yield.

In a statement here, Mr. Bonar said figures released recently by the department indicating a banner crop for the current year "still may be too low."

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(Turn to page 2 for other items from today's N.Y. Times.)

From The New York Times, August 9 -

NUTRITION GROUP TO EXPAND SCOPE-The Committee on Nutrition of Industrial Workers of the National Research Council announced yesterday plans for the improvement of the health and nutrition of the nation's factor employes following its first peacetime meeting in the Biltmore Hotel.

Robert S. Goodhart, chairman of the group, which comprises representative of medicine, chemistry and biological chemistry, as well as industrial organizations, and public health groups in this country and Canada, emphasized that the committee also will be available for consultation on feeding problems which may arise in industrial establishments.

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RURAL ELECTRIFICATION-Confronted with a shortage of poles that grows more acute as the nation's pulp and paper mills corner all available timberlands of Southern pine, the electric light and power industry, and the Rural Electrification Administration are said to be considering seriously early adoption of black and tupelo gum trees which now make up more than 60 per cent of the hardwood timber stands in the country. The possibility of substituting hardwood for the soft Southern pine in the manufacture of power linepoles was indicated yesterday by Dr. Charles G. Tenger, an engineer. The REA, which uses about 3,000,000 poles a year, is said to be short about 2,000,000 and the private power companies' requirements are said to equal if not exceed the needs of the Government agency.

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From The New York Herald Tribune, August 9 -

COTTON TEXTILE TRADING HALTED ON CROP REPORT-Business in the primary cotton textile markets came to an almost complete halt yesterday following publication of the Department of Agriculture's estimate that this year's cotton crop would total only 9,290,000 bales, based on Aug. 1 conditions. Trading halted after publication of the report brought an immediate rise of more than \$6 a bale in raw cotton prices completely unbalancing the new ceiling prices issued Monday by the Office of Price Administration which were based on raw cotton price as of July 23.

All future prices on the New York Cotton Exchange rose the permissible limit of \$10 a bale following publication of the report, but moved lower later under profit-taking and hedging to close from \$6.50 to \$7.75 a bale higher on the day.

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From The Journal of Commerce, August 9-

INSECTICIDE SUPPLIES SHIFTING: COPPER EASED-Former Rotenone and Copper Fungicide shortages are on the way to easing but Calcium arsenate supplies are becoming increasingly tight in the face of a mounting demand to stem the tide of boll weevil, flea hopper, leafworm and bollworm infestation in cotton.

The Civilian Production Administration is trying to provide enough raw lead for current production of lead arsenate. The first shipments of roots to arrive from Peru for some time are now being processed into rotenone, and shipments are continuing to arrive and the supply for next season is expected to be better than any year since 1941.

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From the New York Wall Street Journal, August 9 -

TOO MANY ORANGES, Los Angeles - California orange growers say their future is menaced by "foreign competition."

They mean Florida competition. These Californians have become used to thinking of their southeastern rival as another country. No Florida oranges are ever admitted to California ("bug danger", inspectors explain) and Florida won't let any California oranges in during its growing season.

Growers here who were producing oranges during the war at a \$150 million a year rate and made more money than ever before--they grossed \$500 and netted \$250 per acre on an average--are confronted with many post-war problems, but one, the threat of national over-production, dwarfs the rest.

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DECONTROL BOARD FLOODED WITH LATE APPLICATIONS FOR HEARINGS, Washington - Trade, business, farm, labor and consumer groups engaged in a last-minute scramble last night for a chance to be heard before the new price Decontrol Board reaches its first decisions.

Midnight yesterday was the deadline for applications asking time to testify in the agency's first hearings, starting Monday.

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CPA TO SEND OPA INDUSTRY'S PLEA FOR END OF CASEIN PRICE CONTROL - Washington - The Civilian Production Administration has agreed to submit to the OPA an industry recommendation that price controls be removed from casein, a dairy by-product used in the manufacture of such materials as rubber and glue.

The U. S. production of casein during the remainder of 1946 will not meet more than 20% of the domestic requirements of 25 million pounds, members of the processed casein producers and casein importers industry advisory committee told the OPA.

The committee contended that attempts to import 20 million pounds of casein are being stymied by price controls, which peg prices below the market in such countries as Argentina where casein is available.

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A WORLD FOOD MONOPOLY? - Editorial - Not for its novelty, since it follows the too familiar pattern of power-enforced happiness for the common man, but for its blind acceptance of impossible ways and means to a desirable end, the program of international action offered by the Food and Agriculture Organization of the United Nations is worth a lifted eyebrow or two. It is a scheme which only a world monopoly of food production and marketing, backed by the armed force of angelically cooperating governments, could imaginably carry out.

No one can question the desirability of moving food from where it is "surplus" to where people cannot get enough to eat. But that is precisely what free markets in private hands undertake to do. It is only by serving that objective and in the measure that they serve it that the free markets can function actively and the individual producers, processors and distributors can normally and continuously achieve their own selfish purpose of making profits.

(Turn to page 4 for other items from today's N. Y. Wall St. Journal.)

From the N. Y. Wall Street Journal, Aug. 9 (Cont.) -

CATTLE TURNED STEADY to strong at Chicago yesterday and some classes were 25 cents higher, while hogs and sheep held about steady with Wednesday's market. Reduced receipts accounted for marked activity in slaughter steers and yearlings although nothing offered of high quality and the market top was \$24.50, compared with \$27.25 Wednesday. Hogs weighing under 250 pounds held steady and heavier weights and sows ruled strong to 25 cents higher. The market top of \$23 was paid sparingly, with the practical roof at \$22.25 to \$22.75.

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DROUGHT DOES 20% CROP DAMAGE THROUGHOUT FIVE STATE AREA - Chicago - Damage to crops up to 20% already has resulted in a large section of the corn belt, which has had no rain since July 1. Unless heavy rains fall soon the damage in this territory may reach 50%, county agricultural agents said.

These estimates of the extent of the damaged area would indicate that roughly six million acres are affected by the drought in the states of Indiana, Illinois, Wisconsin, Michigan, and Ohio. This would be only about 6% of the indicated 92.9 million acres planted to the country's corn crop this year.

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DEALERS FORESEE COTTON SHORTAGE - Cotton dealers, appraising the Department of Agriculture's 1946 cotton crop estimate issued yesterday, declared there will be another shrinkage in cotton stocks this season, possibly to the lowest levels in 18 years.

Dealers said that, considering the large demand, a reduction in stocks to around 3 million bales would be at least 1 million bales under a normal working figure. There may not be an actual shortage of cotton in the current season but a scarcity of desirable grades of cotton is likely, it was said.

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From the New York Journal of Commerce, August 9 -

RAW COTTON IN SPURT REVERSES TREND IN SENSITIVE INDEX - The upsurge in raw cotton prices following release of the Government's lower than expected crop estimate reversed the trend the commodity price level had been following since the beginning of the week.

The Journal of Commerce daily index of 30 sensitive commodity prices advanced to 236.2 compared with 235.8 the previous day.

Cash corn prices continue to fall as chances for its continued decontrol are held slimmer as PDB hearings approach.

Hogs held barely steady, while eggs advanced a cent for the first time in a month.

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HARRY FERGUSON, INC. EXPANDS IN FARM EQUIPMENT FIELD - Detroit - In the six years that Harry Ferguson, Inc., has been a factor in the farm equipment field it has moved close to the top in volume of production.

Currently, 110 plants throughout the country are engaged in the production of 43 types of Ferguson system farm implements, and the company has plans of expanding the number of plants involved in its operations to 500, with the addition of 117 new types of Ferguson implements.

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From St. Paul Pioneer Press, August 6 -

EXPERT URGES FARM SURPLUS 'DEFENSES'-Now, while the world still cries for American food, is the time to perfect defense against postwar farm surpluses that surely will return, William A. Minor, assistant to the secretary of agriculture, said in St. Paul. Great significance, Minor said, is to be attached to passage by the present Congress of the new marketing and research bill, which shapes the pattern for wide research by state, federal and private agencies in the development of new industrial and other uses for farm products.

While Minor did not wish to comment on the prospective dismemberment of the United Nations Rehabilitation and Relief administration, it is a fact that the expected demise of UNRRA at the end of this year and doubt as to what if any world relief administration will be set up to replace it, are causing concern as to possibility of great shrinkage in the foreign relief outlets for the U. S. farm products next year.

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From St. Paul Pioneer Press, August 1 -

LOOKING AHEAD ON WHEAT, Editorial-The editor of the Northwestern Miller appropriately calls attention to the fact that this summer sees the 100th anniversary of the repeal of England's Corn Laws, under which grain had been given tariff protection since the Fourteenth century.

The policy had its drawbacks during the two wars, because dependence on food imports made Britain vulnerable to blockade. By strenuous efforts in the last war Britain was able to increase its production of food from around 30 percent of its needs to about 65 percent. The device of state buying is being retained and has just been used to make a deal for a billion dollars' worth of Canadian wheat during the next four years at prices scaling from \$1.55 a bushel now to one dollar four years hence.

Contrary to some impressions, this does not preclude purchases of United States wheat. But American farmers, now getting \$2 a bushel, should take notice. When times of surplus come back, our tariff will not work on wheat; and we shall either have to curtail wheat production, or meet the world price, or devise a two-price system for the foreign and domestic portions of the crop.

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From the Chicago Journal of Commerce, August 7 -

FOOD PRICE DATE RUSHED FOR HEARINGS, Washington-The Department of Agriculture, with one eye focused on Sept. 1 when its first determination of short-supply commodities is due under the price control extension act, is rushing recommendations pricewise on grains, meats and livestock, dairy products and other currently exempt commodities for guidance of the decontrol board at next week's hearings.

The department has decided to maintain the closest possible secrecy on these recommendations and may even refuse to disclose them after the decontrol board makes its decision on Aug. 20 as to which commodities remain free of ceilings and which revert to federal control.

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From Watertown Daily Times, August 5 -

LAND BANK HAS NO MORE FARMS-For the first time in 25 years the Federal Land bank of Springfield owns no farm properties according to a report by Macdonald G. Newcomb, president of the bank, at a recent meeting of the Farm Credit Board of directors. Improved incomes during the war years created an active demand for farms both by farmers and city people.

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From The Christian Science Monitor, Boston, August 7 -

COTTON PRICE REFLECTS ABOUT-FACE IN SUPPLY, By Harold Fleming-NY-The recent rise in the price of cotton to around 35 cents is a phenomenon of first importance to the South, and marks one of the most dramatic of the reversals from a surplus to a scarcity market among all the commodities.

The major reason for the fall in cotton acreage is that cotton land has been converted to other lucrative uses--including grains, pasturage, and timber. The switch to pasturage has been encouraged by the high beef-grain ration. The switch to timber has been encouraged by the heavy demand and high prices for pulp and lumber. Both have been facilitated by new technological advances, and have been spurred by the movement of labor off the farms into the South's growing industrial plant.

While cotton acreage was still shrinking, domestic cotton mills suddenly started running overtime, and jumped their consumption of cotton to a rate of over 11,000,000 bales in 1942 to supply the armed forces and a civilian population with more money.

And since the end of the war the decline in Army and Navy takings of cotton textiles has been offset by a (so far) insatiable civilian demand for cotton textiles and by a fast revival of export demand on the part of a cotton-hungry world to a rate of over 3,000,000 bales a year. Apparently the world now wants far more cotton than the American cotton grower is willing or finds it financially profitable to produce.

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From the Des Moines Register, August 6 -

BEWARE OF HIGHER FARM LAND PRICES, Editorial-Farm land values are still going up in Iowa. High prices for farm products, almost the same as those of 27 years ago, are the basic cause of the land price rise. After World War I a speculative land boom developed, but so far this year the land market has been relatively quiet. Farmers today have the chance of a lifetime to pay debts, build reserves, and make plans for improvements in their homes in the years ahead.

Land values have been going up recently even though not many sales have occurred. There is just one smart answer to the question whether Iowa farmers should contribute to the further bidding up of the price of farm land. It is one word: DON'T!

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From the Milwaukee Journal, August 6 -

MARKUPS VARY ON RETAIL MEAT-Markups running all the way from 2 $\frac{1}{2}$ % to 108% by some retail meat markets were found in Milwaukee Monday by checkers for The Milwaukee Journal's food price survey as it went into its third week. These figures represent the difference between what the butcher figured that he paid at wholesale for meat and what he charged the customer.

The wholesale and retail prices were requested for the same grade and cut of meat as closely as possible. Retailers pointed out that it is hard to figure the per pound wholesale price since they buy sides of meat and cut them into the various cuts sold to the housewife. There are differences between the resulting retail product, due to variations in waste and other technical factors that affect the pricing, the retailers explained. There also are wide differences in what retailers pay the wholesaler.

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(The newspapers and magazines from which these agricultural items are taken are on file in Press Service, Room 409A. Phone Gene Harrison at 6212.)

From The New York Times, August 12 -

PORTER PROMISES PRICE FLEXIBILITY ON EVE OF HEARING--Washington--Justified increases in ceiling prices will be granted by the Office of Price Administration just as rapidly as it can act, Paul A. Porter, Price Administrator said today.

In a statement issued on the eve of the first hearings to be held by the Price Decontrol Board, Mr. Porter said his agency would act within "the spirit and the letter" of the law to see that price adjustments and decontrols were accomplished.

The Price Decontrol Board, headed by Roy L. Thompson, is to begin the first of a series of hearings to decide whether or not price controls shall be restored on meats, milk, butter, grains, cottonseed and soybeans.

"Our price people," he continued, "have been given orders to use every means possible to expedite the granting of legal price adjustments. If production is slowed up it will certainly not be the fault of the OPA. We will grant all price increases called for by the law. We will withhold those which cannot be clearly justified under the standards set up according to the law."

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STRIKE CRIPPLING TRUCKING UP-STATE-Albany-Motor truck transportation and contract motor freight service was crippled today throughout the eastern New York area and Berkshire County, Mass., as AFL union truck drivers put a climax to a month long wage dispute by striking against ninety transport companies in the region.

The strike, which began at noon, affected about 1,000 drivers, members of Local 294 of the International Brotherhood of Teamsters.

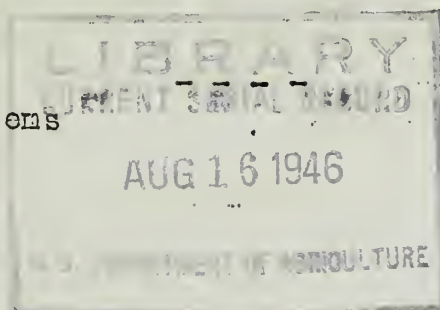
The strike halted contract truck shipments into the affected areas, including some foodstuffs, retail merchandise and industrial items.

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RESTAURANT ITEMS SAID TO BE UP 15%-Indicating that prices in restaurants had gone up 15 percent on dishes removed from price control the Society of Restaurateurs asserted that restoration of ceilings on meat, dairy products, and some other food items would reduce the variety of menus in the public eating places.

"Very few restaurants in the meal class from \$1 to \$2.50 have raised the no ceiling dishes more than 15 percent," Paul Henkel, president declared. "Upper most in the mind of the restaurateur today is to have and keep the goodwill of patrons. There has been a drop of patronage in restaurants, and there is every indication that it will continue. The great volume of patronage of wartime is a thing of the past."

(Turn to page 2 for other items
in today's N.Y. Times.)



From The New York Times, August 12 -

FEED MANUFACTURERS SEE AMPLE SUPPLY IF GRAIN PRICES ARE LEFT UNCONTROLLED- Chicago-Supplies of feed for livestock and poultry will be adequate to meet all requirements in the next year and will be priced reasonably if permitted to remain free of price control, the American Feed Manufacturers Association says in a brief to be filed tomorrow with the new Price Control Board in Washington, D.C. The association will be represented before the board by Walter C. Berger, president, and Lloyd S. Riford, chairman. The board must decide by Aug. 20 whether controls should be reimposed on prices of grains, grain products, and ingredients of feed for livestock and poultry. If no decision is made by that date, controls will be restored automatically.

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RULING IS AWAITED ON WHEAT CEILINGS-Chicago-The milling and grain trade awaits a ruling by the new price decontrol committee on whether new ceilings will be imposed on wheat. This question is expected to be decided this week following hearings to be held in Washington.

Brokers say that from a statistical standpoint there is no real reason why ceilings should prevail in view of the prospective available supply of 1,262,000,000 bushels, although this total is about 140,000,000 bushels smaller than last year. At the same time the smaller quantity allocated by the Government for export this season more than makes up this difference, and on the basis of anticipated use of the grain it is expected that the carry-over at the end of the season may exceed 200,000 bushels or double the amount carried over on June 1, this year.

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17,000,000 BALES COTTON FORECAST-Futures prices on the New York Cotton Exchange, influenced principally by the Department of Agriculture's estimate of the new cotton crop, showed net gains of 165 to 226 points for the week at the close of Friday. The advance followed increases of 158 to 236 points in the previous week. Following issuance of the Government report, which forecast production at 9,290,000 bales, compared with private estimates that had ranged generally around 9,500,000 bales, most active deliveries on the Exchange soared the full 200 points allowable under the trading rules.

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OATS STOCKS BIGGEST EVER-Chicago-Stocks of oats available for the 1946-47 year are officially estimated as close to 1,800,000,000 bushels, the largest on record, but removal of hedges against export sales to Europe resulted in the near-by deliveries showing relative strength, while the November and March futures sold at a new seasonal low after rallying. Current prices of futures are around 16 to 18 cents a bushel under the ceiling in effect on June 30, and brokers expect no price control measures to be applied to this grain during the present season in view of the large supply and the fact that Canada is also to harvest a large crop.

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From the New York Wall Street Journal, August 12 -

SHORTAGES OF BOX CARS needed to haul grain in the Great Plains and Northwest are the most serious in the history of the railroads, according to freight traffic managers. They said, however, that the situation in some communities was being made to appear worse than it actually is in order to put pressure on for more cars. In Oregon, lumber mill owners say they are getting only about half enough railroad cars to move lumber to market. Mills are in their period of maximum production and many, lacking storage space, may be forced to lay off workers unless more cars become available.

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RAISING "COVER CROP" SEEDS IN BIG BUSINESS FOR OREGON FARMERS, Albany, Oregon - Farmers here in the fertile Willamette Valley are putting themselves "in clover," literally as well as figuratively.

It is the business of raising cover crop seeds. As a money-making proposition this activity was still in its infancy in 1925 and returns then were too meagre to count. During the next ten years, seed-growing spread slowly until in 1935 the harvest had reached about \$1.5 million in value. Since then it has bloomed into full growth. Last year Oregon farmers marketed \$20 million of seeds; and this year's crop will be considerably bigger.

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MONTANA ACTS TO HALT THE FLOW OF POPULATION FROM FARMS TO CITIES, Chicago, Ill. - Migration of rural talent and enterprise to the City has become so pronounced in Montana that the state has increased its expenditures for rural rehabilitation research to help combat "ghost town blight," threatening many of its communities.

More than 82% of the nation's 3,072 counties are losing rural population, according to the Council of State Governments. World War II accelerated this trend.

Montana, which has lost almost 20% of its population since Pearl Harbor, set up the Montana Study in 1944 as a three-year project to halt the trend of rejuvenating rural community life.

Recent state increases in Montana Study funds permitted new additions to the projects's staff and expansion of activities. Key objectives are to help bring adult education facilities to rural areas, to help small towns stabilize their economic life through local volunteer effort, and to keep more able young people in their home towns by raising cultural as well as economic living standards.

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IMMEDIATE FARM MARKET SEEN FOR 300,000 QUICK FREEZERS - Refrigeration machinery manufacturers estimate that the industry can sell 300,000 quick freeze and cold storage units to farm customers as rapidly as they can be produced.

William B. Henderson, executive vice president of the Air Conditioning and Refrigerating Machinery Association, said that a large farm market has resulted from the extension of electric current to new subscribers during a period when frozen food cabinets and other refrigeration were not available.

An association survey of the dairy farming industry indicates, Mr. Henderson said, that a substantial portion of about \$1 billion which farmers will spend for new farm and home equipment, will be used to improve dairy farm facilities.

(Turn to page 4 for other items from today's N.Y. Wall Street Journal.)

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From the New York Wall Street Journal, August 12 -

PHILIPPINES SELLS CCC 1946 COPRA, COCONUT OIL, Washington, The United States will receive the entire exportable surplus of copra and coconut oil from the Philippines for one year starting July 1, 1946, under an agreement signed in Manila.

The Philippine government agreed to sell to the Commodity Credit Corp. or its designee all supplies of copra and oil not required for use on the island. Copra will be sold for \$103.50 per long ton, f.o.b. ocean carrier, and the coconut oil at a price of 7 1/8 cents per pound f.o.b. Philippine ports. This will permit importation of copra and oil within existing O.P.A. ceilings.

In addition, the Philippine government has agreed not to place any restrictions upon the production or export of copra to the U. S. All purchases for foreign claimants will be handled by the U. S. and the Philippine government will issue export licenses only to the U.S. or its designee. Purchases for foreign claimants with international food council allocation will be made by the fats and oils branch of the production and marketing administration through normal commercial channels. All copra imported for use in the U.S. will be purchased by private importers with control through import licenses.

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CANADIAN SPRING WHEAT CONDITION ON JULY 31 WAS 126% OF NORMAL, Ottawa-Spring wheat condition on July 31 was 126% of normal compared with 122% of June 30 and 92% on July 31 last year, the Dominion Bureau of Statistics reported.

Fall wheat production in Ontario was estimated at 16,052,000 bushels, with yield per acre of 29.4 bushels, compared with 20,115,000 bushels and a yield per acre of 29.8 bushels last year.

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From the New York Journal of Commerce, August 12 -

RIFT DEEPENS BETWEEN OPA AND INDUSTRY UNDER NEW LAW AS DECONTROL HEARINGS START - What good is speed, if the wrong kind of actions are speeded through the OPA mill?

OPA has acted with considerable speed in the issuance of the new cotton textile ceilings, the flour ceiling, the answer to the coffee industry on its recommendation for decontrol, but in each instance the answer has been contrary to what industry had pleaded for.

The agricultural recontrol hearings before the Decontrol Board which get under way today--are bound to bring out additional controversies between the price agency and business and--despite disquieting, but unconfirmed, reports about deals having been made between OPA and the Department of Agriculture--between Government agencies as well.

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LATE RALLY ERASES DECLINE IN CORN - The surprising increase in the Government corn crop estimate to a new all-time high despite complaints of dryness over important sections during the past few weeks exerted a depressing influence on Chicago corn futures during early dealings but buying by elevator interests during the closing minutes brought about a fair recovery and final quotations were 3/8c to 5/8c higher.

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From the Chicago Daily Tribune, August 8 -

PRICE OF HOGS DIPS SHARPLY-Hog prices broke again yesterday thruout the country. Increasing shipments of hogs from farms, consumer resistance to recent price elevations of some kinds of pork, as well as the stiff competition of a huge tonnage of low-cost beef have undermined the trade in hogs and pork. Packers have been buying many thousands of cows at all markets at prices substantially below top steers and hogs the last two weeks, and much of this beef is moving into the retail channels and depriving the higher priced scarce meats of normal demand.

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From The Journal of Commerce, New York, August 9 -

CROP INSURANCE PLAN BASED ON LOCAL YIELD, Des Moines, Iowa-A crop insurance plan based on local area yields instead of individual farm or field yields has been proposed by Iowa State College farm economists. Under the Government plan now being used both individual farm and field yields are used.

The college economists pointed out that the two serious obstacles to the present crop insurance programs are the difficulty of establishing normal yields for a field or single farm and the difficulty of separating low yields caused by poor management from those caused by weather, disease and pests.

Area yields rather than individual farm yields would be the basis for figuring both premiums and indemnities and the size of the area could vary. Regardless of the area size, it would only be necessary to arrive at a normal yield over a 15-year moving period. In case of crop failure, the current yield for the area would be subtracted from the normal yield, with the percentage of loss being applied to the individual farm's quota. Under this plan premiums would be figured the same as indemnities and would be paid in those years when the current yield was higher than the normal yield.

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From The Metropolitan Milk Producers' News, Ogdensburg, N.Y., July 31 -

MCCONNELL SAYS FEED FAMINE IN NORTHEAST IS NOW OVER; EXPIRATION OF OPA CREDITED-James A. McConnell, general manager of the Cooperative Grange League Federation Exchange and former chairman of the Feed Industry Council, declares the present "feed famine over so far as the Northeast is concerned."

Mr. McConnell said that events of the last month have thawed out the movement of feed and grains and that the feed pipelines are now beginning to fill up. He attributed the change in the situation to the expiration of OPA and to the fact that the July crop report indicated a record-breaking 3,300,000,000-bushel corn crop and near-record crops of wheat and oats.

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From The Kansas City Times, August 7 -

IN MARKET AS "GREENWRAPS", Springdale, Ark.-One firm here has purchased "greenwrap" tomatoes from growers around Springdale this season to a value of \$250,000 R. H. Eagon, Manager, said 160 cars of "greenwraps" had been shipped to various markets. His company is one of seven buying greenwraps here. The quality of the tomatoes in this section continues to be particularly good. The firm now operates from the Rio Grande valley to Colorado and a large group of workers follow the season northward. Some of the professional wrappers are paid as high as \$150 a week.

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From The Kansas City Times, August 7 -

CATTLE PRICE RECORD-A new all-time high price for cattle on the Kansas City livestock market was established late yesterday when three loads of choice grain-fed steers sold at \$26.85 a hundred pounds. The previous high was \$26.50, attained on Monday of last week. This compared with a World War I peak of \$25.25 in December, 1918. The OPA ceiling which expired June 30 was \$17.65.

Grain-fed steers, however, are definitely in the minority in the cattle receipts at this time of the year and it was emphasized that many grass cattle, especially cows and heifers, were selling at or below the late June level, when the OPA regulations were in effect.

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From The Northwestern Miller, August 6 -

IN THE CRYSTAL BALL, Editorial-Taking the facts in their order, we find first of all that Secretary of Agriculture Anderson is, subject only to the overlordship of the price decontrol board, the boy who gives the final yes or no and how much or how little in the matter of agricultural commodity prices. The secretary, in his turn, will have two pertinent facts before him: (1) that the overwhelming supply of grains and of almost every other variety of food, with a few exceptions such as sugar, renders both unnecessary and virtually impossible any control of either distribution or price; and, (2) that the record shows that past efforts to control price of products in sufficient supply inevitably are ineffective and result in black markets comparable with prohibition years.

The secretary also has before him at this moment the fact that the advances in food products since release from OPA domination have, save in the single case of meat, been moderate, largely limited to the amount of discontinued subsidies. Incidentally, the secretary also will have before him the undoubted fact that nearly all of the free-market advance has gone to agricultural producers--wards of Secretary Anderson's own department--who formerly were known as horny handed tillers but who now, with a gross over-all income of \$25,000,000,000, merit a cordial "how'dy, Mr. Producer."

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From the Watertown Daily Times, August 7 -

MILK MARKET LAG IS SEEN, Canton-The fluid milk, cream, and butter markets in New York city are "very slow," and some milk distributors are flooded with milk for which there are no takers, Carl K. Peters, St. Lawrence county president of the Farmers' Union, reported last night upon his return from the city.

After conferring with prominent officials in the industry, Mr. Peters estimated that consumer demand in the city is 10 to 12 percent lower than it has ever been before in the summertime. The cause, he asserted, is the increase in dairy prices that followed the end of subsidies.

Although before subsidies ended the demand for cream was strong, Mr. Peters reported that cream is now in over-supply and is being made into butter, because of the drop in demand. He added that butter itself, priced at 75 to 90 cents a pound, is over-flowing grocers' shelves.

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(The newspapers and magazines from which these agricultural items are taken are on file in Press Service, Room 409A. Phone Gene Harrison at 6212.)

From The New York Times, August 13 -

DECONTROL BOARD HEARS FIRST PLEAS ON KEEPING CURBS-Washington-The specter of returned black markets and rationing despite bumper crops was raised today as the new three-member Price Decontrol Board, facing the public for the first time, heard appeals from farm, trade, manufacturing, milling, exporting and cooperative organizations to keep grains and feeds free from price controls after Aug. 20.

When these groups had finished their pleas for giving the law of supply and demand a longer opportunity to set up its own controls, rebuttal was heard from consumer, labor, veteran and in international food supply organizations.

From A. E. Lyon, spokesman for the Railway Labor Executives Association, the board received a sharp warning.

"Railway workers are dissatisfied," he said. "They blame the Government for allowing business to take back every cent they may have gained in wage negotiations this year."

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3,000,000 SHORT OF BREAD IN PHILADELPHIA AREA STRIKE-Philadelphia-The bread supply of 3,000,000 people was virtually exhausted at noon today as a strike of 1,850 members of Local 6, Bakery and Confectioner Workers International Union, AFL, halted output at thirteen bakeries which have a capacity of about 1,000,000 loaves daily.

Most stores were sold out long before noon despite informal rationing of one loaf to a customer. Many neighborhood bakeries continued to make bread, but their combined capacity of only about 500,000 loaves had to meet the needs of residents of the metropolitan area.

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INDIAN MISSION SEEKS FOOD FROM ARGENTINA-Diwan Chaman Lal, member of the Central Legislative Assembly of India and head of the Indian Food Mission to Argentina, is in New York.

He arrived in this country last Friday en route to Argentina where he will attempt to arrange shipment for the 304,000 tons of corn, bought by India last June. Export licenses have been obtained for only 60,000 tons, he reported, and only half that amount has been shipped.

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48.9% RISE FOUND IN PRICES OF MEATS-Newark-The retail prices of seven popular cuts of meat have risen an average of 48.9 per cent in Essex County since price ceilings were removed, according to a survey of the New Jersey League of Women Shoppers made public today by the Essex Council for Economic Stabilization.

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From The New York Times, August 13 -

COTTON DECLINES ON PROFIT-TAKING-Cotton futures displayed considerable irregularity yesterday on the New York Cotton Exchange, and prices declined 16 to 75 points net on the day.

Starting 26 points higher to 38 points lower than Friday's final levels, the market sold off sharply on profit taking and some hedge selling. The distant months displayed weakness from the start due to some commission house selling of the 1947 positions.

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SUPPLIES AND DECONTROL-Editorial-The United States Department of Agriculture has forecast record wheat and corn crops. It also points out that we are entering a period in which there will be a seasonal expansion of food supplies. Meat supplies are expected to be larger than last fall.

The Decontrol Board is now holding hearings to determine whether it should recommend the continuation of decontrol for grains, livestock, cottonseed, soybeans and milk after Aug. 21.

However, one question will far outweigh all others. Are the estimates of supply by the Department of Agriculture reasonably accurate? If they are, the course to be followed by the Board, in accordance with the law price control law, is clear. Control should not be reimposed for these products.

This board will render the most constructive service if it concentrates on the facts, not on vague hopes and fears. If decontrol is not possible under conditions of large supply, when would it be possible?

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From The New York Herald Tribune, August 13 -

550,000 TONS OF FOOD SENT TO JAPAN BY U.S.-Washington-American exports to Japan, under General Douglas MacArthur's exchange program to provide funds there for "essential imports necessary to prevent disease and unrest," have to date totaled 550,000 tons of grains, flour, dried beans and rice, and 330,000 bales of raw cotton, Army sources disclosed today.

Reciprocally, the Japanese have shipped to the United States 53,000 bales of raw silk. Among needed reconversion metals they have sent 13,700 metric tons of pig lead, 3,380 tons of tin, 7,400 tons of rubber and some antimony, it was learned from the United States Commercial Trading Company. A subsidiary of the Reconstruction Finance Corporation, this agency is handling American imports to Japan.

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From The Wall Street Journal, August 13 -

SUGAR RATIONING promises to stretch far into the future. It will be with us at least until March 31, 1947. This prediction comes from top Department of Agriculture officials. If an extension of the Second War Powers Act establishes authority to ration beyond next March, they say, the rationing may on for most of next year.

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From the New York Journal of Commerce, August 13 -

IMPARTIAL DECONTROL DECISIONS PLEDGED BY PRICE BOARD CHIEF, Washington - The Price Decontrol Board began its active operations today with assurances that its decisions will be made on the basis of facts and free of the influence "of any other Government agency."

Preceding presentation by representatives of the grain trade of their arguments in behalf of continued decontrol of grains, the board's chairman, Roy L. Thompson, delivered a statement in which he made it clear that its members intend to meet the qualifications set up by the President, that they constitute an unpacked jury.

His statement stressed that the three board members accepted the assignment of determining how rapidly the country's price structure should be decontrolled on the basis that the board will have no interference in its functions from other Government agencies.

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SENSITIVE PRICES SHOW DIP AS DECONTROL HEARING STARTS - Interest in major commodity markets centered on Washinton yesterday as hearings of the Price Decontrol Board got under way.

Reaction to developments was mixed. Grains strengthened, showing gains for wheat, corn, oats and rye.

Raw cotton was slightly lower and hogs reacted from the highs at the end of last week.

As a result The Journal of Commerce daily index of 30 sensitive commodity prices receded fractionally to 237.8, compared with 238.1 on Saturday.

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PRICES READJUST IN NERVOUS MARKET - Cotton futures declined slightly in current crop months, while 1947-48 deliveries fell sharply in a moderate session on the New York Cotton Exchange yesterday.

The \$3.75 loss per bale in distant months was attributed to belief that acreage planted to cotton next spring will be 50 to 100 per cent larger than during the current season. It was noted, however, that some quarters, inactive yesterday, did not hold the same opinion.

Demand in the next twelve months was expected to continue strong, despite reports that the subsidy of 4c per pound would be cut or eliminated.

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DECONTROL SOUGHT IN CANNED FOODS - Canned foods traders yesterday were showing considerable interest in a petition filed with Secretary of Agriculture Anderson and Price Administrator Paul Porter at the week-end, urging immediate decontrol of canned vegetables, vegetable products, fruits and fruit juices.

The petition, filed by the Canned Fruits and Canned Vegetables Industry Committee, was based on the promise that the 1946 season's pack of these commodities will equal or exceed requirements for the current marketing season and that these lines in consequence, are not in short supply.

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(Turn to page 4 for other items from today's N. Y. Journal of Commerce.)

Farm Digest 1755-46-3

From the New York Journal of Commerce, August 13 -

SUGAR PRICE RISE SEEN IN PROSPECT - With the food index in the second quarter of 1946 averaging 2.16 per cent over the base period (last quarter 1945) Cuba, under the terms of the sale of the crop to the United States, on one-fourth of its shipments this year, is assured a price of approximately 3.75c a pound.

For another one-quarter of the shipments the price will be considerably higher, based on the further rise of the index in July.

Since Cuba's 1947 base price is to be the highest price paid for the 1946 crop, Cuba is assured of better than 4c a pound on what will be a record output. Present indications are that the 1947 crop will exceed 5,500,000 tons, compared with 4,471,000 tons this year.

For the United States the prospect is that the price increases will be passed on to the consumer. Under the terms of the OPA Extension Act CCC may not absorb any increase above 3.675c, the base price.

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NAVAL STORES - Due to the reported desire of Government officials to act simultaneously on decontrol of both gum and wood naval stores, some Southern observers believe that the order may not be released till the end of the month. However, the hope for immediate action by the Department of Agriculture on gum products remains strong in some quarters. It was hinted that the order decontrolling gum products has been completed and awaits only the signature of Secretary Anderson.

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LINSEED OIL - An acute shortage of box cars is retarding movement of new crop flax to Minneapolis markets. However, car receipts last week totaled 92 compared with 46 a year ago. Harvesting is in full swing under excellent conditions in Iowa, southern Minnesota, South Dakota and the Red River Valley. Unless North Dakota gets rain promptly production will be scant. Lack of moisture has retarded the crop.

- - -

MILLS AWAIT RULING ON WHEAT PRICES - Millers generally were marking time awaiting the outcome of Price Decontrol Board hearings on wheat which, it was expected, will determine future flour price policy.

Prevailing ceiling prices for bakery flours, which will remain in effect through Aug. 20, are held to be inadequate to cover costs and few mills were taking on new business in these types except for a scattered small lot of regular buyers threatened with curtailments or stoppages.

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NEW EXPORT PEAK REACHED IN JUNE, Washington - Commercial exports in June rose to \$684,000,000, the highest level for any month since December, 1920, when they were \$720,000,000, the Census Bureau reported today.

Total exports, which include UNRRA and Lend-Lease in June, an increase of \$27,000,000 over May.

A \$31,000,000 increase in commercial exports over May was offset in part by decreases in UNRRA and Lend-Lease.

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From Des Moines Register, August 10 -

RAINS ASSURE RECORD CORN CROP IN IOWA-By J. S. Russell-Iowa's 1946 corn crop maintained its record condition throughout the critical month of July and the prospect of an alltime record production of 673,318,000 bushels was confirmed on the basis of Aug. 1 condition.

The condition of Iowa's corn crop actually is better today than it was Aug. 1 as rains since that date have relieved the dry condition which threatened some of the western Iowa fields.

The Iowa hay crop is turning out a bit better than previous estimates had indicated with 5,173,000 tons estimated for this year as compared to the forecast of only 4,890,000 tons a month ago.

The Iowa crop reporting service explained the unusual prospect for corn by attributing it to the planting of hybrid seed, the very favorable conditions during the season and the fact that many stalks are producing more than one ear this year.

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From Des Moines Register, Aug. 8 -

COLLET TO HAVE 'FINAL SAY' ON FOOD COSTS-By Marr McGaffin-Washington, D.C.-The dope is that Judge Collet is the man who will supply the final "yes" or "no" answers to such questions as whether the lid will be clamped down on the price of butter, meat and other foods, or whether controls will be lifted.

Farm and food industry representatives, who have been hopeful the lid would be kept off of most products, have become less optimistic the past week.

Another development that has chilled their hopes is the sudden switch in plans at the department of agriculture.

Ten days ago, department heads were busy studying every phase of supply, demand, price and production trends in preparation for drawing up a list of specific recommendations.

Wednesday a spokesman for the department said it would make no recommendations to the board.

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From The Kansas City Times, Aug. 8 -

GRAIN REIN STAND-By Duke Shoop-Washington, Aug. 7-The OPA favors keeping controls off wheat and oats, it was learned today.

However, officials in the grain and feed sections of the OPA believe corn should be placed back under control August 20, and that controls on corn should be continued for at least two or three months.

Oats now is selling 12 cents below the old ceilings and with a plentiful supply in sight, officials believe a clear cut case is made for decontrol beyond August 20.

Concerning wheat, OPA officials believe that restrictions on the use of wheat should be lifted before it is decided to keep this grain free of maximum prices. With the supply-demand situation a factor which the law requires the decontrol board to investigate, it would be inappropriate to find that there is a plentiful supply while restrictions remain in effect.

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From The Kansas City Times, Aug. 8 -

OLD CROP CORN IN DROP-The feature of carlot markets here and elsewhere this week has been a sharp break in corn prices. Similar declines have been recorded at Chicago, St. Louis and Minneapolis.

Principal cause of the slide is the prospect of a record corn crop. There are still some reports of crop deterioration from scorching weather, particularly in Kansas, but rains over important parts of the corn belt the last few days crased much of the earlier fears of damage.

Another factor in lower corn prices has been the shrinking requirements for livestock feeding, both anticipated and actual. Grain traders have noted the recent marketing of hogs of subnormal weight and of sows originally intended for breeding purposes, due to present attractive prices and fears that livestock ceilings again might be reimposed.

Adding to the bearish sentiment in corn is evidence that there is more old corn back on the farms than reports had indicated. Old corn has been offered in larger amounts than expected, now that bumper harvests of new corn are in sight.

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From The Kansas City Times, August 9 -

DROUGHT FEAR GROWS-Estes Park, Colo., Aug. 8 (AP)-Subsoil moisture supplies in parts of the southern great plains states are the lowest they have been for several years, Dr. R. I. Throckmorton, dean of agriculture at Kansas State college Manhattan, told a meeting of the northern and southern great plains agricultural councils today.

The committee which he heads checked reports from 414 counties in Colorado, Kansas, Montana, Nebraska, New Mexico, North Dakota, South Dakota, Texas, Oklahoma and Wyoming.

He said that if the present drought condition continues the situation could be extremely severe with a lack of adequate vegetation on pastures and ranges and a lack of feed reserves.

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From Watertown (N.Y.) Daily Times, Aug. 9 -

WORLD FOOD POOL-The dispatch out of Washington yesterday suggesting that a food pool and ever-normal granary be established has a familiar ring. On an April day in 1945 Fiorello LaGuardia was in this city and addressed a large luncheon. At that time he gave over the bulk of his talk to the need of a world pool. Now Mr. LaGuardia as chief of UNRRA is moving to set in motion this plan.

This is plain common sense. As long as some people are hungry and have no sense of security there will be unrest and confusion. This is all fuel to totalitarian war makers. The LaGuardia plan is simple and has logic.

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From The New York Packer, Aug. 10 -

VIRGINIA HAS THREE TIMES 1945 CROP-Winchester, Va., Aug. 9-The four states of the Appalachian district probably will produce between one-fourth and one-fifth of the nation's commercial apple crop this season, according to the most recent compilations, although many growers are by no means agreed on the figures.

However, the best information appears to indicate that Virginia may have a crop of approximately 12,780,000 bushels; West Virginia, 3,380,000; Pennsylvania, 7,020,000 and Maryland 1,456,000, making a total of 24,636,000 bushels, with the national crop placed at 106,465,000 bushels.

Farm Digest 1755-46-6

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(The newspapers and magazines from which these agricultural items are taken are on file in Press Service, Room 409A. Phone Gene Harrison at 6212.)

From The New York Times, August 14 -

HOUSEWIVES FIGHT MEAT DECONTROL AS TRADE URGES IT-Washington-Meats were followed from the cattle and sheep ranges to the corner stores today in a bitter, day long clash of business and consumer groups before the Price Decontrol Board.

From labor, consumer groups, housewives and buyer strikers it received charges that the present flow of food to the counters represented supplies which had been deliberately withheld, that new shortages would come to raise prices still higher and that household budgets were losing ground distressingly.

"The patience of American workers is running out," said Boris Shishkin, economist for the American Federation of Labor.

"My husband," said Mrs. Agnes Stein of Washington, "is making \$75 a week and we cannot have meat more than twice a week and you gentlemen have got to help us."

- - - -

UNRRA ABSORPTION BY U.N. PROPOSED-Geneva, Switzerland-The United Nations Relief and Rehabilitation Administration would be absorbed by the United Nations under a resolution prepared tonight for submission to the UNRRA's policy committee.

Agreed on by a drafting committee, the resolution, after approval by the policy committee, is expected to go to a plenary session of the Council tomorrow for final approval. It follows closely a proposal offered by Canada and supported by the United States and Britain.

- - - -

UNRRA OFFICIAL ENVISAGES QUICK TRANSFER OF RELIEF WORK TO NEW U.N. ORGANIZATION-United Nations officials said last night that an encouraging message from R. G. A. Jackson, senior deputy director general of the UNRRA in reply to an earlier communication from Arkady A. Sobolev, then acting secretary general of the United Nations, indicated that the UNRRA's aid to refugees and displaced persons might be continued by the International Refugee Organization without any interruption.

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CABINET HELD FIRM ON WORLD GRANARY-Washington-Henry Wallace, Secretary of Commerce, said today the President's Cabinet had endorsed the general principle of an international "ever normal granary" as embodied in the world food plan recently presented by Sir John Orr, director general of the food and agriculture organization.

"Some such plan as this will sooner or later have to be adopted or the plight of the farmers of the world will eventually be worse for a time than it was in either 1921 or 1932," Mr. Wallace said in a statement.

The statement denied published reports that the Cabinet had rejected the food organization director's proposal.

(Turn to page 2 for other items
in today's N.Y. Times.)

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Farm Digest 1765-46

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(Turn to page 2 for other items
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From The New York Times, August 14 -

UNRRA AID CUT BY CHINESE FIGHTING--Shanghai--The spreading of China's civil war has caused curtailment of operations of the United Nations Relief and Rehabilitation Administration in China in the last two days and further drastic reductions are contemplated, a high UNRRA official said here tonight.

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POTATO FARMERS ACCEPT U.S. OFFER--Growers of Long Island's bumper crop of 19,000,000 bushels of potatoes accepted yesterday the Government's proposal that they store surplus potatoes in their fields until rail transportation becomes adequate and outlets are found for the product.

The Department of Agriculture will pay the farmers \$1.67½ a hundred pound for grade 1 on acceptance and will give additional compensation later for putting the potatoes in bags and carrying them to the railroad.

- - - -

COTTON PRICES OFF BY 9 TO 23 POINTS--The cotton futures market on the New York Stock Exchange closed 9 to 23 points lower yesterday after a session of fairly active trading. Opening 5 to 53 points net lower, the market broke to losses of 30 to 53 points on liquidation, small stop-loss orders, and some hedge selling against movement of new crop cotton in the Southwest.

The selling was influenced by a report that was said to have been circulated among top ranking policy making officials in Washington that prices on cotton should be allowed to decline to a level where the United States can compete in world markets.

- - - -

GRAIN FLUCTUATES: OATS, CORN LOWER --Chicago--The grain markets fluctuated in a nervous manner on the Board of Trade today. Oats advanced around 2 cents a bushel after an early dip but turned weak in the last few minutes of trading under hedging pressure and liquidation by professionals who bought early and found support light on the way down.

The close was about the bottom with losses of 1 to 1 5/8 cents. Corn showed a heavy undertone throughout the way, and although rallying at one time in sympathy with oats, turned weak again when oats declined and at the close was 1 1/8 to 1 1/2 cents lower.

- - - -

From The Baltimore Sun, August 14 -

PRICE UPTURN SEEN CHANGING OUTLOOK HERE--The notable rise in prices of important crops will expand the income and buying power of farmers in the local Fifth District, the Federal Reserve Bank of Richmond stated in its monthly business review, issued yesterday.

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From the New York Journal of Commerce, August 14 -

NEW WORLD WHEAT ACCORD ON QUOTAS, PRICES DRAFTED, Washington - A revised international commodity agreement to govern world wheat exports and imports has been prepared by the International Wheat Council and contemplates the immediate establishment of world export prices, with other provisions to be temporarily held in abeyance.

Prepared for submission to the council by a subcommittee of that group, when the council meets on Aug. 19 in Washington, the new draft agreement would supplant a 1942 proposal for an international commodity pact covering wheat.

The new draft agreement is said to call for a pact of four years duration, and to include provision for international wheat quotas.

- - -

COTTON BOLLS SHED IN OKLAHOMA HEAT, Oklahoma City - The cotton crop of Oklahoma is showing signs of damage from the continued hot dry weather that has prevailed for several weeks. The plant continued to withstand the drouth better than other crops but unless relief is realized within a week or so, the deterioration may become serious, especially to early planted fields.

The dry condition prevails over practically all of the State but is reported worse in central-western to southwestern sections.

- - -

MORE MOLASSES SEEN FOR INDUSTRIAL ALCOHOL - Some 10,000,000 to 15,000,000 gallons of Cuban blackstrap Molasses above the 115,000,000 gallons previously arranged for may be forthcoming for Alcohol production in the United States. While Cuba has by agreement with the United States Department of Agriculture until Sept. 30 to say what additional amounts of molasses can be exported to the United States above the previous commitments, observers believe that Cuban stocks are sufficient to permit sizable additional quantities.

Meanwhile industrial ethyl alcohol production after a complete stoppage in July has been permitted to be resumed this month at June levels. Producers have been assured sufficient molasses to enable them to produce 35 per cent of their sales and internal consumption.

- - -

46 CANNED FRUIT CEILINGS AWAITED - Washington reports yesterday indicated that OPA has completed its ceiling price schedules for 1946 pack canned fruits, with the schedules awaiting approval by the Department of Agriculture before promulgation.

The new ceilings take into consideration added costs of raw fruit, increases in sugar costs, and rises in materials and labor costs.

- - -

CORN PRODUCTS - Refiners were fairly well supplied with corn as a result of more liberal country selling over the past several weeks and production was being maintained at permitted levels. However, it was expected that future corn supplies will be determined by whatever decision is reached by the Decontrol Board on this grain. Reimposition of former ceilings would be a mistake, in the opinion of trade spokesmen.

From the New York Journal of Commerce, August 14 -

RICE MARKET - No new crop offerings of rice developed in the spot market yesterday and the trade is reported as waiting the outcome of the meeting today and tomorrow, with the Rice Industry Committee, Department of Agriculture and OPA officials at Washington.

The general feeling is that following this a new ceiling price will be named which will cover all trades made on 1946 production.

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GRAIN EXPORT DROP CUTS PORTS TRAFFIC - A drop of more than 50 per cent in grain shipments as compared with the previous month resulted in a decreased volume of exports moved to ports by rail during the month of July, according to figures compiled by the car service division of the Association of American Railroads.

- - -

From the New York Wall Street Journal, August 14 -

CCC WHEAT PURCHASES, Chicago - The local office of the Commodity Credit Corp. announced that Monday's purchases of 1946 crop wheat in the open market amounted to 21,000 bushels, bringing the accumulative total for the current buying program to 7,066,000 bushels. The wheat was bought on the basis of Atlantic Seaboard export ceiling prices plus permissible mark-ups.

- - -

HOGS AND CATTLE - Killing classes of cattle held to steady prices at Chicago, although hogs continued to decline from 50 cents to \$1 lower and sheep eased slightly on a partially established market.

The top of fed steers was about \$27, with most, \$19.50 to \$24.50. Medium grassers took \$14.50 to \$17. Hog prices went 75 cents to \$1 lower on weights below 260 pounds, and heavier weights and sows were 50 to 75 cents lower. A top of \$22.75 went to choice 200 to 260 pounds, with most from 170 to 280 pounds meriting \$22.50 to \$22.75.

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OPA WILL BE READY AUGUST 24 TO ACCEPT PRICE ADJUSTMENT, Chicago - All adjustments to the new Office of Price Administration act should be completed and the O.P.A. should be in a position to accept applications and petitions for price increases from industry advisory committees by August 24, Maurice W. Lee, executive assistant to the Administrator, predicted in an address before the Chicago Association of Commerce.

- - -

CALIFORNIA SHIPPING FRESH FRUIT AT A RECORD RATE, San Francisco - Fresh fruit, particularly grapes and peaches, are being shipped out of California at a record rate.

Through the first week of August, 2,317 carloads of fresh grapes had been started out of the state compared with about 1,000 cars in the like 1945 period. Refrigerated shipments of freestone peaches shot up to 3,350 cars by August 6, compared with 2,795 cars for the full 1945 season. The total 1946 grape yield of all varieties was estimated as of August 1 at 2,607,000 tons compared to 2,663,000 for 1945.

Farm Digest 1765-46-4

From The Kansas City Star, August 11 -

FARM VIEW MIXED-While cornbelt feeders continued to reflect an optimistic attitude by buying replacement cattle here last week in unusually large numbers for this early in the season, the general farm attitude in the area from which Kansas City draws its market supplies was characterized by confusion.

The majority of the fed cattle that came to market, attracted by high record prices for the top grades, plainly showed that they had been shipped below normal market weights.

Hog receipts increased last week, as compared with the previous week and a year ago, but at the expense of both quality and weight.

Fear that OPA ceilings again will be imposed on livestock August 21 obviously still was a prominent factor in creating confusion. The decontrol board must make a decision by August 20.

Under the new price control law, however, whatever action the decontrol board takes will not be final, as reconsideration must be given the entire food situation every thirty days. This probably is the most upsetting provision in the federal regulations, especially for livestock producers who necessarily must operate on a long-term basis.

It is no wonder, therefore, that producers have been pusing their holdings to market far ahead of schedule.

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From St. Louis Post-Dispatch, August 8 -

FLOORS WITHOUT CEILINGS- "Except during severe depression," the House Post-war Policy (Colmer) Committee proposes, "prices and markets (of farm products) should be largely free and production not restricted." In plainer language, taxpayers' money should indemnify farmers against depression, but the city people who pay most of the taxes should have no protection against inflated farm prices. Is it hoped that this one-way statesmanship will persuade the Decontrol Board not to restore basic food ceilings on Aug. 20?

The committee wants price supports, but no acreage or quota limits. Farmers would then produce vast surpluses of cotton, wheat and other staples, which taxpayers would have to buy and warehouse.

It may also be said in the committee's favor that there is a case for reasonable supports so long as industry uses tariff protection and other means to make prices high for the things farmers buy. But where there is justice in price floors, there is equal justice in price ceilings and production restrictions.

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From The Atlanta Constitution, August 9 -

SURELY, THE BRIDES WILL AGREE-The Executive Committee of Louisiana's International Rice Festival says 1,557,000 pounds of rice was wasted in the United States last year, by being thrown at brides at weddings. Just how they arrive at that figure is not explained.

The Committee pleads for abandonment of this ancient custom, in order that the rice can be used as food, pointing out that thousands of starving Chinese could be fed with the cereal thus wasted.

Let us outlaw the rice-throwing part of the wedding ceremony. Surely both brides and grooms will approve.

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- 6 -

From St. Paul Pioneer Press, August 8 -

CATHOLIC FARM COLLEGE NEEDED-Collegeville, Minn.-Advocating a Catholic college of agriculture, Msgr. L. G. Ligutti of Des Moines, executive secretary of the National Catholic Rural Life conference, told a conference Wednesday at St. John's university, that there is a great need for such an institution.

Msgr. Ligutti said that to date, Catholic education has concerned itself primarily with the 90 per cent of Catholic population not directly involved in farming -- ignoring the 10 per cent farming group.

The priest also, emphasized the need for a positive attitude regarding education and concerted action on the part of farmers to improve their own conditions -- partly through education.

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From Chicago Journal of Commerce, August 12 -

SUPPLY, NEED AGAIN FACTORS IN CATTLE TRADE-Live cattle markets last week closely mirrored supply and demand conditions in leading wholesale beef markets, unlike the picture in the final months of price regulation. How long this normal situation will prevail depends upon action taken by the decontrol board. Word circulated the stockyards that hearings with industry representatives could not be concluded in time for the board to reach a decision before the Aug. 20 deadline and that the present free market might be extended another month.

For the time being, prices at which packers can sell meat determines the prices they will pay for live animals. Such minute quantities of meats moved through regular trade channels in the final months before price control lapsed that consumer preference for kind and grade was not indicated by price levels because everything was tight against ceilings.

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From Chicago Daily Tribune, August 12 -

CENTRAL FARM BOOKKEEPING AID IS URGED-Establishment of a simplified accounting service for farmers would save millions of dollars a year and boost standards of efficiency of farm operation, H. B. Britton, Chicago economist and former auditor of navy war contracts, said yesterday.

Classes in accounting conducted for farmers thru university extension courses have proved inadequate because they take too much time and are not sufficiently inclusive, Britton said.

Britton proposed that state governments or private agencies establish accounting service centers equipped with simple tabulating machines, each center serving a wide area.

"The farmer would need only submit simple statements of his transactions to the accounting service center," Britton said. "The actual work would be done for him there."

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SUBSIDIES RUIN ECONOMY OF U.S., DAIRYMAN SAYS-Owen M. Richards, general manager of the American Dairy association, asserted yesterday that one way toward reaching a balanced federal budget was thru leaving prices of dairy products "free of controls and subsidies."

Richards cited a study of retail dairy food prices just complete in Chicago and seven other cities which purported to show that dairy foods now cost no more, and "generally cost less than they did under office of price administration rules and subsidies on June 30."

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(The newspapers and magazines from which these agricultural items are taken are on file in Press Service, Room 409A. Phone Gene Harrison at 6212.)

From The New York Times, August 15 -

FARM BILL SIGNED: SIMPLIFIES CREDIT-Washington-President Truman late today signed a bill setting up the Farmers' Home Corporation, designed to streamline the administration of the Government's agricultural credit and related activities.

In signing the measure, however, the President said that one provision "causes me grave concern."

He referred to Section 9, providing that "any conveyance of real estate by the Government or any Government agency under this act shall include all mineral rights."

Asserting he not concur with the objectives of this provision, the President said:

"It is very important to the best interests of the nation that fissionable materials in lands now under Federal ownership be reserved for the control and use of the United States."

He said the recently enacted Atomic Energy Act provided for such reservations in disposal of public lands and added:

"It is equally important that the Government reserve ownership of oil, gas and other minerals critical to the national defense and economy."

He expressed hope the next Congress will speedily repeal Section 9. The New law consolidates farm credit activities of the Federal Government for low income borrowers into a single agency under direct authority of the Secretary of Agriculture.

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CONTINUED BOOM IN FARM PROPERTY PRICES BRING GRAVE WARNING FROM FEDERAL AGENCY-Washington-The farm land boom-started by the high wartime demand for food and farm products-continues unabated, the Agriculture Department reported today.

Farm real estate values for the country as a whole increased 4 percent for the four months ended July 1, the agency statement said, to bring them 77 percent above the 1935-39 pre-war level.

The department said higher prices for farm products, record or near-record levels of both farm production and income, easy credit, and a huge volume of liquid funds available for land purchase continue as principal factors influencing the farm real estate market.

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FLOOD OF POTATO BLENDED WHISKIES STIRS WIDE DEBATE ON THEIR MERIT-The bland potato, its importance to whisky-makers increased more than a hundred fold within a year, is packing a lively punch into tavern talk and verandah conversations these summer evenings. Registered distilleries throughout the nation used 139,403,976 pounds of potatoes and potato products in June, compared with 795,320 pounds in June 1945. Use of grain by distilleries in June of this year amounted to 128,198,150 pounds. Even allowing for the fact that a pound of grain yields roughly seven times the alcohol of a pound of whole potatoes, the potato figures indicate a huge contribution to the slaking of the national thirst. (Turn to page 2 for other items - - - - in today's N.Y. Times.

From The New York Times; August 15 -

COTTON PRICES UP IN ACTIVE TRADING-Recovering early losses, the cotton futures market on the New York Cotton Exchange closed 23 points higher to 7 points lower following a day of erratic fluctuations.

The market opened 5 points lower to 1 point higher, then immediately broke to losses of 19 to 35 points on active months. The South, New Orleans, and commission houses sold freely, while the trade demand did not develop until later in the afternoon.

Early selling was attributed to the better than expected weekly weather report, and while the drought continues in the West, favorable progress was reported over the rest of the belt.

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UNEASINESS MARKS TRADING IN GRAINS-Chicago-Grain markets fluctuated in a very nervous manner today on the Board of Trade, oats having a range of about $1\frac{1}{2}$ cents a bushel and closing $\frac{3}{4}$ cent lower to $\frac{1}{4}$ cent higher than yesterday, the former on August, which was sold by longs after announcement that tenders of 255,000 bushels of cash oats had been made on contracts. Corn was firmer at one time with oats, but weakened late in the session and closed at the bottom with losses of 1 cent. Feed barley was bid up $\frac{3}{8}$ cent without attracting sellers.

Soaking rains in parts of Illinois and Missouri had some effect as a price making influence in corn, as did a corecast indicating scattered showers over a considerable part of the Central West. A weather bureau report indicated that the Illinois and Iowa corn crops were in good to excellent condition.

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From The New York Herald Tribune, August 15 -

GREAT LAKES SEAMEN QUIT-Cleveland-A seamen's strike that threatened a general tieup of Great Lakes shipping, upon which many of American's key industries depend, began early today when crews walked off their ships in seventeen lake ports.

Actually the strike had begun several hours earlier in at least eight ports-Cleveland, Chicago, Duluth, Detroit, Erie, Milwaukee, Toledo and Buffalo-where seamen jumped the midnight strike deadline.

The strikers, members of the National Maritime Union, a Congress of Industrial Organizations affiliate, were seeking chiefly a reduction of the work week from fifty-six to forty hours and preferential hiring of union members.

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COFFEE PRICE UP 10 TO 13¢ A LB. ON OPA ORDER-Washington-Coffee price ceilings were raised 10 to 13 cents a pound today, and the Office of Price Administration predicted a 5 to 7 percent price increase for cotton clothing made from top-grade textiles.

The agency also:

1. Authorized a retail increase of one to two cents a pound for dry beans;

2. Removed price controls of canned and other processed cherries.

On coffee, the retail increase will be a little less than 13 cents at stores which do their own roasting.

The OPA said the price rise for coffee was necessitated by: 1. Cancellation July 1 of an importers' subsidy of 3 cents a pound. 2. An importers' price increase of about 2 cents. 3. 3 cents a pound granted to importers today.

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From the New York Journal of Commerce, August 15 -

COTTONSEED GROUP SPLIT ON DECONTROL, Washington - Prospects for the continued decontrol of cottonseed products by the Price Decontrol Board looked pessimistic today with industry representatives testifying before the board about evenly divided on the desirability of continuing the free market.

Unlike the grain and livestock hearings of the past two days, where the industry representatives presented virtually an unbroken front, processors of cottonseed were sharply split in their views.

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FOOD PRICE CURBS VITAL, WSB SAYS, Washington - The Wage Stabilization Board warned the Price Decontrol Board today that continuing decontrol of major food commodities will force it to grant broad wage increases to absorb the rising cost of living.

A break in the wage line, it was claimed, would be directly contrary to the Administration's policy, announced by Reconversion Director John R. Steelman, that a "second round" of reconversion wage increases is not to be allowed.

At the same time, WSB Chairman W. Willard Wirtz and Vice Chairman Phillips L. Garman said that continuing control exemptions would make the wage stabilization job virtually impossible.

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FARM PRODUCTS ADVANCES BOOST PRICE LEVEL SHARPLY - Substantial gains in foods and farm products yesterday lifted the commodity price level to the second highest point since OPA's return.

After a week of sliding prices in grains and live stock, hogs rebounded to near-peak levels and wheat, corn and rye moved higher.

The Journal of Commerce daily index of 30 sensitive commodity prices rose to 239.2 compared with 236.5 the day before and 239.6 on Aug. 5, the highest point under the new act.

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WOOL CONSUMPTION SHOWS DROP IN MAY, Washington - Raw wool consumed and yarn production in May both dropped about 1 per cent from April totals, the Census Bureau reported today.

An increase over April of 4 per cent in loom activity and a drop of 5 per cent in the number of hours of worsted spindle operation from April to May was shown.

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DOMESTIC WOOL SALES INCREASE AS CCC REDUCES LIST PRICES, Boston - Sales of domestic scoured and carbonized shorn wools and greasy and scoured pulled wools were stepped up appreciably the early part of this week as a result of the latest reductions in Commodity Credit Corp. selling prices on various types of domestics. Some sizable weights have changed hands thus far and considerable business is still hanging fire on other large quantities.

Handlers of pulled wools report broad activity on both greasy and scoured type reffectives of all grades, especially the finer wools.

(Turn to page 4 for other items from
todays' N. Y. Journal of Commerce.)

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Farm Digest 1775-46-3

From the New York Journal of Commerce, August 15 (Cont.) -

WISCONSIN CHERRY PACK OUTLOOK GOOD, Sturgeon Bay, Wis. - Estimates of the Door County Cherry crop for 1946 have been boosted from early-season estimates of 30,000,000 to 32,000,000 pounds to as high as 40,000,000 pounds, although growers warn that weather must continue favorable for the balance of the season to establish the new record.

Canning facilities are operating at near capacity, and some packers are handicapped by lack of work.

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CITRUS PRODUCTS CO. PLANS \$250,000 PLANT EXPANSION, Plant City, Iowa - David S. Prosser, president of Citrus Products Co., this city, has just announced plans for a \$250,000 expansion program.

President Prosser said principal items in the expansion will be the installation of a processing plant which will produce citrus pulp, a cattle feed, and another plant to produce molasses, which also will be used in animal feed manufacture.

- - -

AIRBORNE FRESH FRUIT VOLUME GAIN REPORTED - Air shipment of tree-ripened fruits to the New York market from orchards of the Pacific Northwest played an important part in the increase in Northwest Airlines' air express volume during July.

This aerial tree-to-table movement to New York began several weeks ago with the influx of cherries. Then followed apricots and now peaches from Washington, as well as Oregon and Montana.

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MARKET FOR BUTTER BARELY SUSTAINED, Receipts Aug. 13, 880,924 pounds. Butter markets losing tone further with prices barely sustained on the tops here and lower on intermediate and lower grades.

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CAN PRODUCTION IS HELD ADEQUATE - Despite production losses of more than 3,000,000,000 containers early in the season as a result of the coal, steel and rail strikes, no perishable farm products have been lost thus far for want of cans, D. W. Figgis, president of American Can Co., said here yesterday.

With the packing season already completed for a number of the larger volume items, Mr. Figgis added, the industry is entering the "home stretch" with its fingers crossed, but with every hope that combined efforts of canners and can makers will be successful in the battle to preserve the bumper 1946 food crops.

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From the New York Wall Street Journal, August 15 -

JULY DOMESTIC CORN GRIND BELOW 1945 - The corn grind of 11 refiners during July totaled 8,788,419 bushels, compared with 8,057,900 bushels in June and 9,544,024 bushels in July, 1945. These figures represent corn ground for starches, sugars and other derivatives for domestic use only, according to the Corn Industries Research Foundation.

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From The Kansas City Star, August 12 -

THE RAIN TO CONTINUE-Showers falling today were expected to continue through tomorrow in the Kansas City area to break a 6-week dry period which has injured crops and dried gardens and lawns.

The moisture was more or less general in Western Missouri, Kansas and Eastern Nebraska. In Topeka, hope was held that additional rains moving in on the heels of showers, which started falling over most of Kansas yesterday, would break the drought withering Kansas Crops and pastures.

Rains in Missouri were not as widespread as in Kansas.

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From Chicago Daily Tribune, August 13 -

NEW SOUTH DAKOTA PLANT WILL PRODUCE HORSE MEAT-Watertown, S. D., Aug. 12- The first commercial horse slaughtering plant in South Dakota will be established in Watertown, Howard M. Wilson, Newport, Minn., announced Friday. The company will slaughter horses for human consumption in this country and Europe and also produce dog and fur bearing animal food. The plant would have an initial capacity of about 100 head of horses a day.

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From St. Paul Pioneer Press, August 12 -

LABOR CHALLENGES LOW FARM EARNINGS-The St. Paul Trades and Labor assembly was on record Sunday as asking farm organization leaders how they arrived at recent calculations that dairy farmers earned less than 53 cents an hour.

A resolution adopted by the AFL labor body branded leaders of the Minnesota Farm Bureau Federation, Twin Cities Milk Producers association and Land O' Lakes, Inc. "labor baiters."

The labor delegates interpret the 53 cents as applying to each cow a farmer owns.

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From The Amarillo (Texas) Sunday News-Globe, August 11 -

PLAINS SUBSOIL MOISTURE LOW-Estes Park, Colo., Aug. 10 (AP)-Subsoil moisture supplies in portions of the southern Great Plains states are the lowest they have been for several years, Dr. R. I. Throckmorton, dean of agriculture at Kansas State College, Manhattan, told a meeting of northern and southern Great Plains agricultural council.

Dr. Throckmorton, said conditions are especially bad in the area from the northern part of Colorado and Kansas south, with conditions most serious in New Mexico.

The committee which he heads checked reports from 414 counties in Colorado, Kansas, Montana, Nebraska, New Mexico, North Dakota, South Dakota, Texas, Oklahoma and Wyoming.

He said that if the present drouth condition continues the situation could be extremely severe with a lack of adequate vegetation on pastures and ranges and a lack of feed reserves.

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From The Boston Christian Science Monitor, August 12 -

WASHINGTON AND OREGON REACH RECORD ABUNDANCE OF WHEAT-By Kate Archibald-Walla Walla, Washington, Aug. 12-Wheat in such abundance that it makes bread rationing look foolish, is pouring from the threshers throughout this region, adding to the nation's bumper crop for 1946. Washington and Oregon together will hit an alltime high in the production of 116,914,000 bushels, according to a United States Bureau of Agriculture crop survey. The four states, Montana, Idaho, Washington, and Oregon will total more than 188,800,000 bushels.

Excellent growing weather has been largely responsible for this record growth and another factor was that growers, this year, planted wheat where they had formerly grown other grain crops such as oats, barley, and rye.

The problem of storing this huge crop will not be too great as there was scarcely any carryover of wheat this year.

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From Oklahoman, August 8 -

FARMING NOT A WPA PROJECT-Members of a group of farm legislators said the other day that they will oppose all farm subsidies in the next session of congress.

This pronouncement is weakened by the next demand, which is for "upward revision of parity formulas." The third and fourth demands, however, are all to the good. One demands establishment of fertilizer stations and a fourth asks for consolidation of all federal agricultural lending agencies.

In the days of WPA the workers were paid by the government even when it was obvious that their labor wasn't needed. However, the workers didn't miss the point. They know they were being artificially subsidized.

Since farming is our most important economic force, the "crutch" should be taken away. The trouble is that our politicians haven't yet shown enough wisdom to provide the right conditions for farming, and right conditions can never come except where farming goes ahead under its own power.

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From Portland, Oregon, Oregonian, August 7 -

VETS FINDING FEW FARMS-FSA Leaders Here for Area Confabs-Best ways of helping veterans to re-establish themselves on Pacific Northwest farms, and helping smaller farmers to adjust their operations to meet inflation and future price uncertainties are receiving first consideration in a five-day work meeting of 35 farm security administration officials from Oregon, Idaho and Washington.

"Fewer than one out of three qualified veterans who have come to us for credit and management assistance in returning to a farm has been able to find a suitable unit for lease or sale at reasonable prices," Duffy said. "We were able to set up 725 farm veterans with five-year loans for livestock and equipment and another 43 qualified for 40-year farm ownership loans, but scarcity of farms remains the biggest handicap.

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From The Atlanta Constitution, August 10 -

GEORGIA PRODUCTS TO BRITAIN-Editorial-Early next week eight ships will move into Savannah Harbor to begin loading 40 million dollars' worth of Georgia tobacco, bound for Britain.

In the same week a ship will take on 16,000 bales of cotton for Japanese mills. This will bring to 60,000 bales recent shipments to that defeated nation.

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AUG 21 1946

U.S. DEPARTMENT OF AGRICULTURE
OFFICE OF INFORMATION
Washington 25, D.C.

(The newspapers and magazines from which these agricultural items are taken are on file in Press Service, Room 4094. Phone Gene Harrison at 6212.)

From The New York Times, August 16 -

LABOR IS RESTIVE AS BOARD PONDERES CONTROL OF PRICES-Washington-The Price Decontrol Board, its files bulging with statements by more than 100 witnesses, completed hearings late today on the question of exempting five basic food commodities from price control beyond Aug. 20.

The three-man board ended four days of intensive testimony by hearing Philip Murray of the Congress of Industrial Organizations, who summed up labor's case. Mr. Murray called not only for reinstatement of price controls but for a rollback of prices to June 30 levels and restoration of the full amount of consumer subsidies.

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MURRAY WARNS PRESIDENT WAGES MUST OFFSET PRICES-Washington-Philip Murray, head of the Congress of Industrial Organizations, today reiterated his demand that President Truman call a labor-management conference. Mr. Murray maintained that unless some action was taken to protect living standards, "the stage will be set for a new depression."

Mr. Murray said that American workers, caught in a desperate squeeze created by unchecked profiteering look to their Government for some form of prompt and effective action.

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PERON LIMITS FOOD TO RECIPROCATORS*Buenos Aires-President Juan Peron declared today that Argentina would ship food only to nations that sent manufactured products to this country, and that "ships arriving here empty will leave here empty." He pleaded on the second successive day for domestic "calm and order."

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NEW CUTS BY UNRRA ORDERED IN CHINA-Shanghai-Extensive international relief operations throughout north China appear to be scheduled for a sweeping reduction because of the civil war. Jay Franklin Ray, acting director general of the United Nations Relief and Rehabilitation Administration in China and Dr. T. F. Tsiang, director general of the Chinese National Relief and Rehabilitation Administration, conferred today on steps to deal with the war crisis.

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MEATS-Fears that price controls will go back on pork are responsible for first appearance "in years" as the USDA says, of fresh hams. Packers don't want to cure them, because, in the event of a return to restrictions, they might have to sell at a loss. Bacon still is a here-today-gone-tomorrow item and beef generally is of lower quality than a week ago. The Meat Trade Institute and the New York Council of Wholesale Meat Dealers say mutton is the single most plentiful meat, with stocks more than 80 percent of normal.

(Turn to page 2 for other items in today's N.Y. Times.)

Farm Digest 1785-46

From The New York Times, August 16 -

ATOM STUDY PLANT TO AID HUMANITY-Washington-Plans for the establishment in or near Washington of a new Federal Research Institute to utilize the development of atomic energy for humanitarian purposes were revealed here today Dr. Thomas F. Parran, Surgeon General of the United States Public Health Service.

Atomic fission has made possible the isolation of certain isotopes, and radio-active isotopes may become a factor in biological investigation of no less importance than the discovery of the microscope, Dr. Parran said.

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OPA LINKS PACKERS TO BLACK MARKET-The "Big Four" of the meat packing industry---Armour, Cudahy, Swift and Wilson---were accused yesterday by the Government of such black market practices as forced tie-in sales and delivery of unwanted items to retailers. These activities, according to the Office of Price Administration, contributed to the illegal increases in meat costs to housewives during the nine months up to the expiration of meat price controls on June 30.

A total of fifty five complaints against the "Big Four" corporations was filed in the War Emergency Courts of Manhattan under the Sharkey Law, which carries a maximum fine of \$500 for each violation.

The complaints were the result of several months' investigation by OPA agents and enforcement attorneys who interviewed hundreds of retail butchers to obtain affidavits which set forth that they had been forced to buy scrapple, veal brains and other unwanted items to get some of the meats they wanted. Swift & Co. was accused also of having compelled a retail merchant to buy thirty dozen eggs, which he did not want in order to get thirty two pounds of butter.

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SELLING IS HEAVY IN CORN AND OATS-Chicago-General selling in corn and oats developed today on the Board of Trade after a Department of Agriculture report showed only 55 percent as many cattle on feed in eleven Corn Belt States as a year ago and further widely scattered beneficial rains in many sections of the leading corn producing sections. Corn futures dropped $4\frac{1}{2}$ cents a bushel at one time to a new seasonal low, with January at \$1.32 or $14\frac{1}{2}$ cents under the ceiling price in effect on June 30.

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From The New York Herald Tribune, August 16 -

N.A.M. ASSERTS U.S. FALSIFIES PRICE PICTURE-The National Association of Manufacturers charged yesterday that government agencies had falsified and misrepresented the price increases that occurred during the twenty-five-day period in July when the nation was freed of price controls.

The N.A.M. said the interpretations of the Bureau of Labor Statistics by government agencies "bespoke political ends instead of impartial reporting!" "This campaign of misinterpreting is not over," the N.A.M. declared. "Evidence of OPA activity to reinvigorate a fear of rising prices is available from many quarters."

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From the New York Journal of Commerce, August 16 -

DAIRY RECONTROL HELD UNNECESSARY, Washington - Dairy interests today told the Price Decontrol Board that milk and its products should remain free of price control because prices have not risen unreasonably, supplies ample and can be expected to improve, and price ceilings would be unenforceable.

Charles W. Holman, secretary of the National Co-operative Milk Producers Federation, presented the opening statement of the industry before the board and subsequent witnesses substantiated Mr. Holman's testimony in greater detail concerning each milk product.

Reimposition of price controls would have the following adverse consequences, Mr. Holman told PDB:

"1. It would mean the resurrection of the black market. 2. It would mean renewed shortages of many dairy products in many areas. 3. It would needlessly postpone the inevitable day when consumers must accept the fact that dairy products were grossly underpriced under CPA. 4. It would deter production and accelerate the recent downward trend in cow numbers. 5. Coupled with rollbacks and subsidies, price control would revive the inflationary effects which were characteristic of the previous controls."

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LIVE STOCK ADVANCES HOLD PRICE INDEX ON EVEN KEEL - The commodity price level held on an even keel yesterday according to The Journal of Commerce daily index of 30 sensitive commodity prices.

Raw cotton held unchanged, while grains and butter sold off. However, a moderate gain in hogs offset losses in the other components.

As a result The Journal of Commerce daily index stood at 239.2, unchanged from the previous day.

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STOP THE COTTON SUBSIDY, Editorial - There is no longer any reason why the United States should make foreign cotton spinners an annual present of some \$70,000,000 to \$80,000,000 at the taxpayers expense in order to push the exportation of cotton from this country. This is what the present cotton export subsidy of 4c per pound amounts to.

Things have changed drastically since the export subsidy was started in 1944. Then: the United States cotton carryover was extremely heavy; effective world demand was small, what with existing limitations on shipping; world prices were below prices in the United States.....

Today the situation is vastly different. Surplus cotton in this country is down to a relatively low level. Yet this year's crop will be very small again. As things now look, it will be only a little larger than the 1945 harvest which was the smallest in twenty-five years.....

As long as the price for American cotton is not permitted to find the world level--at least for that part of the crop which is to be exported--there is little chance for a permanent solution of the cotton export problem.

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(Turn to page 4 for other items from today's N. Y. Journal of Commerce.)

Farm Digest 1785-46-3

From the New York Journal of Commerce, August 16 - (Cont.)

PRICES READJUST IN NERVOUS MARKET - Prices readjusted across the board in a fluctuating session on the New York Cotton Exchange yesterday. Near months, except January, 1947, remained firm or showed slight gains, while distant fell off sharply. The final range was up 7 to off 24 points.

Market letter writers continued to be optimistic over prospects of further upward movements of prices. Leading factors emphasized were the strong statistical position of the staple and the threat of weevil damage to the current crop.

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BUTTER BACKSLIDES ON RECONTROL FEARS - Butter receipts, Aug. 14, 601,220 pounds. Increasing nervousness and weakness in the butter picture, chiefly under fear that OPA controls will be restored. Spot prices here dropped 3 a 3½c and Chicago went down 2 a 2c. Production is lagging behind last year to a considerable degree, and the outlook for fall and winter supplies seems pretty tough.

- - -

SEES EARLY IMPORTS OF DUTCH CHEESES - The United States may soon be getting its first shipments of Dutch cheese and other food specialties, Dr. Leonard A. H. Peters, agricultural counsellor of the Netherlands Embassy in Washington, indicated, as he left for Holland.

Prospects also are good, he said, for the early export from Holland to the United States of caraway and poppy seeds, vegetable seeds and nursery stocks since these items are in great demand here and are commanding favorable prices.

While in Europe, Dr. Peters will attend the United Nations Food and Agricultural Organization conference to be held in Copenhagen early in September.

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PROCESSED CHERRIES DECONTROLLED BY OPA, Washington - OPA yesterday removed price controls on processed cherries.

The action, effective immediately, eliminates ceilings on canned, frozen, brined, maraschino and glazed cherries, as well as on preserves, jellies and fountain fruits made from cherries.

- - -

KLEBERG MAY BUY NOTED DUPONT FARM, Philadelphia - A du Pont company spokesman said today negotiations are under way for sale of Lammot du Pont's famed cattle, hog and sheep farm in Chester County, Pennsylvania.

The prospective buyer is Robert J. Kleberg, Jr., one of the owners of the famous King Ranch in Texas. Work has begun on clearing out the du Pont holdings since the proposed sale includes only the 4,200-acre farm and its buildings.

Kleberg is said to be buying the place for an undisclosed sum for use as an Eastern grazing farm.

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From St. Louis Post-Dispatch, August 14 -

WHO WILL EAT MEAT?-Editorial-Presumably members of the Price Decontrol Board were not greatly surprised to hear that the American Meat Institute, an organization of packers, opposes a return to price control over meat. Packers are in business for profit; higher prices mean higher profits.

A beef producer, with equally apparent self-interest, told the Decontrol Board that beef will move through black-market channels if controls are re-established. The board should not be intimidated by threats to violate the law.

In the name of the harried consumer, the Decontrol Board should return meat to the OPA control lists. Control of meat prices should then be enforced -- by prompt and vigorous prosecutions of violators and by the refusal of consumers to pay prices above OPA ceilings.

- - - -

A BANKER WITH VISION-Editorial-A Federal Reserve Bank has a broad public charter that is a challenge. In St. Louis the Federal Reserve Bank has met the challenge, under the leadership of Chester Davis. The bank is quietly promoting a regional soil conservation program.

Soil is national wealth, and wealth that we Americans have royally wasted. The amount of land that already has followed or threatens to follow the plow into erosion and sterility is equal in extent to three states the size of Illinois.

The Federal Reserve Bank is encouraging local bankers to lend money to farmers who present an approved plan for soil conservation. This means balanced farming.

Chester Davis has put a vision of public service into banking. By doing that, he has incorporated his bank into the life of the Mississippi Valley.

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From The New Orleans Times-Picayune, August 13 -

STATE WILL TRAIN MILK INSPECTORS-Plans for a milk inspectors' training course and arrival of Floyd Miller from Hammond to head a field inspection and grading force were announced Monday by Dr. Lewis C. Spencer, acting director of the milk and dairy products division of the state health department.

According to Dr. Waldo L. Treuting, state health officer, that agency hopes to improve production methods. He said state inspectors will instruct farmers in raising the grades of their milk through rigid sanitation measures. Grades will be A, B, standard, and substandard, he said, but there will be little A or B on the market because its production is extremely difficult.

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From The Memphis Commercial Appeal, August 13 -

DANGERS LOOM IN COTTON-From The Dallas Morning News.-The 18-year low in United States cotton supply predicted Thursday by the Department of Agriculture serves as a new warning of the dangers that loom for the industry.

The pitfalls that may bring new disasters to the industry do not lie in the fact that the 1946 crop is the lowest in 49 years, with the exception of 1921, when production dropped to 7,945,000 bales.

The real danger for the cotton industry is that the short crop will bring higher prices that will lead to over-extension next year and produce a disastrous break in the market in repetition of the 1920 debacle. The danger signals are already flying. The market is going wild, and cotton men meeting in Atlanta Aug. 5 demanded 40-cent cotton.

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From Chicago Journal of Commerce, August 14 -

FREE GRAIN PRICES-Editorial-Famine relief shipments from the 1946 crop are estimated at 250,000,000 bushels. Those shipments could be increased to 400,000,000 bushels for all grain and still leave larger carryovers in the United States than the Department of Agriculture deems necessary, for the corn crop at present is headed for 3,500,000,000 bushels.

In fact, the only limitation likely to be placed on mercy exports is that of transportation. The grain industry asserts, and is supported by a high official of the Department of Agriculture, that an export program of 12,000,000 tons of grain and grain products in a year would strain our transportation system to the limit.

So far as the price factor is concerned, the abundant crops promise to take care of that. In addition, the British-Canadian wheat contract is 45 cents below the present United States market and that agreement will act as a brake on prices.

There is only one course for the decontrol board to take in the face of the facts if it is, as Chairman Roy L. Thompson declares, free from influence of any other government agency and from preconceived decisions or fixed opinions, and that is to keep the markets free.

- - - -

From Watertown (N.Y.) Daily Times, August 13 -

RESUMED MILK SUBSIDY REQUESTED-Ogdensburg, Aug. 12-Resumption of price controls and subsidy payments on milk is urged by the Farmers' Union, according to Archie Wright, president of the Farmers' Union, Northeastern Division who said today he had a letter of appeal to Roy L. Thompson, chairman of the Decontrol Board in Washington.

Mr. Wright stated that he would be unable to attend the hearings in Washington but that arrangements have been made for the National Farmers' Union representatives in Washington to attend the hearings.

In the letter to Mr. Thompson he stated:

"It is generally agreed in the dairy industry that there is going to be a serious shortage of milk and milk products this fall and coming winter. . . . This means that without some planned control many, many thousands of people are going to be price rationed out of consumption to the long time damage to the health of the nations. . . .

"The great mass of farmers are firmly in favor of price control and the subsidy system. We have checked on this carefully. We are advocating such a program. It is part of our program on which membership is solicited and . . . we are the only farm organization showing steady increases in membership strength."

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From Chicago Daily Tribune, August 10 -

THE STATE FAIR-Editorial-Those city fellows who are always telling about the industrial glory of the Chicago area will have to step aside during the next week while the state of Illinois asks another group of its citizens to stand up and take a bow. They are the farmers, whose accomplishments are on display at the state fair in Springfield.

Stand up, Mr. Farmers, and accept an "E" award from all the citizens of a grateful state.

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DAILY FARM NEWS DIGEST
(For August 19, 1946)

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(The newspapers and magazines from which these agricultural items are taken are on file in Press Service, Room 409A. Phone Gene Harrison at 6212.)

From The New York Times, August 19 -

BOARD PREPARING TO RULE TOMORROW ON PRICE CONTROLS-Washington-Saddled with the responsibility of determining price questions affecting a major segment of the nation's economy, the Price Decontrol Board spent a busy time today preparing the decisions it is scheduled to announce Tuesday evening. At that time the board will rule whether or not price controls are to be restored upon meat, grain, milk and dairy products, cottonseed and soybeans.

If the board fails to rule to the contrary, price controls will automatically be restored upon all the products.

Meanwhile, the Office of Price Administration also put in a full day preparing orders which it will issue in event the Decontrol Board allows ceiling prices to be restored. It was at work also on the preparation of orders advancing prices on items which, under the new price control law, must have new ceilings by next Saturday, thirty days after the present Price Control Act becomes law.

If the board decides that controls are to be restored on meats and dairy products it must also decide whether subsidies are to be paid on the products, and if so, how much.

Paul A. Porter, Price Administrator, said last night that June 30 ceilings would be re-established on most meats if the board authorized the move and also fixed payments of adequate subsidies.

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RELIEF SOLUTION IN EUROPE CLOSE-Zurich, Switzerland-Except in Austria, where the Russian military authorities still decline to forego requisitioning indigenous food, the solution of the relief problem is now in sight in Europe.

This is the conclusion reached in Geneva during the United Nations Relief and Rehabilitation Administration's fifth council session, which has arrived for transferring the UNRRA's responsibilities by stages to the United Nations.

From now on the relief problem that will demand most attention is financing the overseas resettlement of displaced persons refusing repatriation, 1,000,000 of whom must be provided for.

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SHOE FIELD AWAITS MEAT PRICE ACTION-While the movement of hides and leather to producing plants has been far from satisfactory since the Government started its investigation of inventories at packing houses and tanneries, no additional formal protests are expected to be made by the industries until after Wednesday of this week, it was learned yesterday.

The related industries are marking time in anticipation of the action the Decontrol Board will take tomorrow on meats, believing that any previous move would be unwise and impractical.

(Turn to page 2 of the New York Times for other items.)

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From The New Times, August 19 -

COTTON PRICES SAG AFTER 2-WEEK RISE-Profit-taking and liquidation by the trade and commission houses entered the cotton futures market last week to arrest a two week advance in values. Active contracts on the New York Cotton Exchange registered net declines of 17 to 148 points for the week, in contrast to net gains of 165 to 226 points in the preceding week.

The pronounced decline in values of the most distant months reflecting the rather general belief in trade quarters that the acreage planted to the staple in this country next year may show a very sharp increase over that of this year. Additional depressing factors in the market last week were uncertainty over the future of the export subsidy program, disinclination of mills to fix prices pending the next adjustment of textile ceilings, a domestic consumption of all cottons last month smaller than expected, and tempered optimism regarding the export outlook for the coming twelve months.

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OPERATIONS EASED ON GRAIN MARKETS-Chicago-Operations in the grain markets slowed down considerably late last week, as brokers awaited an announcement of whether price ceilings would be imposed on many leading agricultural commodities. Announcement as to this most important step must be made before midnight Tuesday, and there is a wide range of views as to what policy would be adopted by the Government.

Although a record wheat crop of 1,160,000,000 bushels is expected to be harvested this year, and export needs are estimated to be 150,000,000 bushels less than the previous season, some operators express doubts that wheat will be left free from Government price control, and the same applies to barley and rye. The supply of the latter two grains is somewhat smaller than the recent years, and in the case of rye the crop and carryover amount to about two thirds of the disappearance of the last crop year.

Ceilings may be imposed on old corn, but the bids for the new are so low, based on 3 cents under the January and more than 50 cents below the new, that any ceilings probably will be removed as soon as the new crop grain becomes available in volume. Oats are selling so much under the old ceiling and also under the July 15 parity price that no ceiling is regarded as needed on this grain.

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EXCHANGES UPHELD FOR COMMODITIES-An "overwhelming majority" of authorities on commodity marketing and leaders in collateral fields is agreed that commodity exchanges, whose operations have been curtailed since before the war, are necessary to the peacetime marketing of basic commodities in a free economy. This is the conclusion drawn by the National Association of Commodity Exchanges and Allied Trades, Inc., from a survey conducted for it by the Institute of Public Relations, Inc. The results of the survey were issued for publication today.

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From the New York Journal of Commerce, Aug. 19 -

FREIGHT JAM SEEN IN BOXCAR CRISIS - Washington - A shortage of 50,000 to 70,000 boxcars a week by October was predicted by Col. J. Monroe Johnson, Director of the Office of Defense Transportation, in what he said would be the tightest transportation situation that this country has ever seen.

The boxcar shortage, Colonel Johnson told The Journal of Commerce, "is going to have paralyzing effects on reconversion and will result in the waste of food."

The railroads are already loading far more cars than at any time during the war, although the number of cars has steadily decreased through the war years, the ODT director pointed out.

With slightly less than 700,000 box cars now operating on the lines, 390,000 cars are being loaded weekly, he said. At the same time that the transportation demand has been growing greater and greater, there has been a steady net loss of box cars as bad order cars are taken out of operation.

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WHAT PROFIT IS "REASONABLE"? - Editorial - Industry is still waiting for OPA to spell out how to proceed in order to obtain price relief under the new price control act.

Everything points to a rude awakening for those, however, who still believe that price relief will be easier to get than in the past. That is true particularly with respect to the widespread belief that the new price law guarantees industry present costs plus 1940 profits.

The first clear-cut indications of OPA's thinking on the new pricing standards was given last week by Maurice W. Lee, executive assistant to the Price Administrator, in a speech in Chicago. In this speech Mr. Lee thoroughly shattered the illusion that OPA regards 1940 profits as "reasonable." He made it clear that in OPA's opinion "a reasonable profit is certainly below the 1940 margin of profit."

Touchy as the definition of "reasonable profit" is, OPA has not chosen the easy way out which would have been the decision to negotiate such a profit for each industry individually; instead the price agency is now readying a definition of this term for the benefit of all Industry Advisory Committees which may be getting ready to apply for price relief.

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SUBSIDIES RAISED FOR SUGAR BEETS - Washington - Increased subsidy payments to sugar beet processors for the 1945 and 1946 sugar beet crops were authorized yesterday by Economic Stabilization Director John R. Steelman.

Mr. Steelman said both the Department of Agriculture and the Office of Price Administration agreed that the increases are necessary to eliminate inequities under 1945 Commodity Credit Corp. sugar beet contracts and to provide for maximum production and distribution of sugar from this year's crop.

After re-examination of sugar beet processors' costs the Office of Price Administration reported that the combination price and subsidy for the 1945 crop was too low. To rectify this, Mr. Steelman directed that CCC waive its contract provision for recovery of each processor's share of price increases equal to 13.34¢ per 100 pounds on all 1945 crop sugar. Where processors' returns fail to equal a 13.34¢ increase, CCC will pay the difference.

(Turn to page 4 for other items from - - -
today's N. Y. Journal of Commerce.)

Farm Digest 1790-46-3

From the New York Journal of Commerce, Aug. 19 (Cont.) -

BEST FOODS NET UP AS TAXES DECLINE - Reflecting reduced tax payments, Best Foods, Inc., reports increased consolidated net income for the fiscal year ended June 30. Showing is made despite a decrease in net sales of 13 percent.

Net income for the year was \$3,089,274 equivalent to \$2.06 a share on the capital stock as compared with net of \$2,515,648 or \$1.68 a share in the preceding year. Profit before taxes was \$6,009,274 as compared with \$6,940,648 in the 1944-45 fiscal year.

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OPA APPARENTLY STILL COMMITTED TO CLOSE PRICING POLICIES - OPA officials have fired the first shot in the counter-barrage on the cost of living line. In doing so, they reveal the same type of thinking on pricing that snarled up the economy in such a serious way before June 30th that Congress attempted to straighten things out by specifically detailing just what the agency can and cannot do.

The remarks of Price Administrator Paul Porter on Friday in connection with the granting of increased ceilings to a long list of items boil down to a declaration that "the public should blame Congress for higher prices and not the OPA."

Mr. Porter stated: "I want to emphasize that OPA has not changed its policy of establishing ceiling prices based only on the requirements of law or for bona fide supply reasons. I repeat that these increases are mandatory and that OPA will follow the standards laid down by Congress in such a manner as to afford the maximum protection to the buying public that is possible under these standards!"

What that means, in terms of OPA policy, is a tight pricing program, with ceiling increases granted only under pressure and then after needless delay. Holding an imaginative price line at all costs rather than realistic pricing aimed at higher production and ultimate decontrol is to continue as the guiding philosophy even though it has been pointed out repeatedly that a shirt at some price is better than no shirt and a ceiling price.

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From the Wall Street Journal, Aug. 19 -

HORMONE DIET PUTS JUICY POUNDAGE ON OLD HENS, ROOSTERS - Stillwell, Okla., - Sex has been introduced into chicken yard diets to turn poor fowl into fair profits.

By spicing regular chicken feed with a few female sex hormones, Dr. R. George Jaap of Oklahoma A. & M. College has demonstrated that he can transform the tough flanks and breasts of old roosters and hens into chunky, juicy, capon-like meat. The hormone diet also fattens broilers to Sunday dinner sizes within two weeks.

Laboratories can produce the hormone synthetically, and Dr. Jaap estimates that his new method can fatten poultry at a cost of one and a half cents a pound while the quality added will bring five cents a pound "even at pre-war market prices."

Dr. Jaap is not the only experimenter trying to produce better birds by feeding sex hormones. Others, including Purdue University and the University of California, have made like experiments. But so far the U. S. Public Health Service has not yet put its stamp of approval on the technique. And that approval is essential.

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From St. Paul Pioneer Press, August 14 -

LIVESTOCK CONTROLS-Editorial-It would be surprising, in view of the case presented by the livestock industry Tuesday, if the decontrol board were to recommend the reimposition of price controls on cattle. The central decision the board will have to make is whether price controls can be imposed on hogs and sheep; but not on cattle.

There has been a material increase in hog and sheep prices. The effect of imposing ceilings on hogs and sheep, with none on cattle, would be to start a run on those meats, especially hog products.

Hog prices do serve to check demand at the same time as they are increasing supply. The important consideration is that farmers be encouraged to increase their hog production to take advantage of the feed supply. If this is not done, there will still be a short supply of hogs despite the availability of feed.

The same consideration obtains with sheep, though primarily for a different reason. Increased sheep production depends on ability of sheep growers to hire sheep herders at prevailing wages. There is only one way to produce an adequate meat supply and that is through the incentive of profitable price.

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From Chicago Journal of Commerce, August 15 -

'WHITE ELEPHANT' HEMP PLANTS FITTING WIDE INDUSTRIAL USES-By J. C. Leech-Forty-one small hemp mills a few months ago were considered as so many white elephants on the surplus property list.

Yesterday it was disclosed these plants were on their way toward becoming permanent members of the central industrial community.

Seventeen have been sold or approved for sale by the Chicago office of the War Assets Administration, and two have been leased. Their new or intended uses are scattered throughout a wide range of small-industry products.

These uses include the drying and processing of hybrid seed corn, manufacture of mirrors and processing of flat glass, production of prefabricated houses, manufacture of men's clothing, slaughter of livestock, canning of peas and corn, manufacture of switches and controls for electric ranges, plastics fabrication, canning operations and housing the employees, marble products, bran processing, paper pulp production, and processing of hybrid seed corn.

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MAKERS STRIVE TO FILL ORDERS FOR FOOD CANS-The coal, steel and rail strikes cost the can manufacturing industry production losses of more than 3,000,000,000 containers, but can companies are now working overtime to provide containers for the bumper 1946 food crops, D. W. Figgis, president of the American Can Co., said yesterday.

No perishable farm products have thus far been lost for want of tin cans and the industry expects to be able to provide the 9,000,000,000 containers needed this year to preserve the major fruit, vegetable and juice packs, he said.

Mr. Figgis reported that the continued improvement in the flow of can-making materials is making possible double-shift and overtime operations in the can plants, although manufacturers' inventories of tinplate are on a "hand-to-mouth" basis.

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From St. Paul Pioneer Press, August 14 -

TRUCKS TO AID GRAIN HAULING AUTHORIZED-Truck transportation of grain and flaxseed to Minnesota terminal markets was authorized Tuesday to aid in alleviation of railroad car shortages.

The state railroad and warehouse commission said trucks could be used for hauling grain and flax to the Twin Cities and Duluth.

The commission did not establish rates for grain hauling by the trucks. These will be determined by haulers and elevator operators.

Motor carriers and shippers were urged by the commission to make arrangements with elevators for acceptance of grain in advance of shipment. This will avoid congestion and ease state inspection of loads.

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From The Weekly Kansas City Star, August 14 -

NEW NAME FOR THE FSA-Editorial-The name of the Farm Security Administration will officially be changed to that of the Farmers' Home administration within the next ninety days, following a recent act by Congress. At the same time the new FHA will take over the federal crop and seed loans and some other lending activities of the Department of Agriculture.

Since the program was started, 38,922 low-income families of the three, nonlandowner groups have been lent a total of \$222,084,895 with which to purchase farms. Only 16 per cent of the borrowers are behind schedule, with the average amount in arrears \$259, or somewhat less than one annual installment.

When it is considered that every one of the families to which this money was lent had to be so poor a risk that no private lending agency would do business with it, the record must be considered a good one.

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The Davenport (Ia) Democrat and Leader, August 14 -

IOWA'S 1946 CORN CROP PAST CRITICAL STAGE-Des Moines, Ia.--(UP)-Iowa's record corn crop is now past the critical stage and a relatively high yield is assured if normal temperatures prevail thruout August and September, the Iowa crop and livestock reporting service said today.

The service reported that the dry areas in western Iowa have received moisture relief.

The soybean crop was reported making excellent progress and 59 per cent of the fields are showing pods. The small grain harvest has been completed except for a few scattered areas.

The service said the critical feed shortage eased somewhat this week as the result of heavy livestock marketing together with the availability of new oats.

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From The New Orleans Times-Picayune, August 14 -

RICH DELTA ACREAGE IS SOLD IN FSA LIQUIDATION PLANS-Rolling Fork, Miss., Aug. 13-Twelve thousand acres of the good earth of the Mississippi Delta country went under the auctioneer's hammer here today as the farm security administration began to liquidate its holdings in the state, bought for farm co-operatives before Congress forbade such activities by FSA.

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AUG 22 1946

(The newspapers and magazines from which these agricultural items are taken are on file in Press Service, Room 4094. Phone Gene Harrison at 6212.)

From The New York Times, August 20 -

CONTROL DECISIONS DUE TONIGHT: HELD IN CLOSE SECRECY-Washington-The three man Price Decontrol Board was reported in the final stages of agreement tonight on whether to restore price controls on grains, meats, dairy products, cottonseed and soybeans.

Paul A. Porter, head of the Office of Price Administration, announced that the suspensions now in effect would continue at least until 12:01 a.m., Eastern standard time (1:01 a.m. New York) Friday. He said he made the announcement without knowing what the Decontrol Board's decision would be, but felt it was necessary to avoid confusion on the part of business and the public.

"We do not know what the board's decision will be," Mr. Porter said. "A little time, therefore, is necessary for business to adjust itself to such recontrol as the board may order and to permit the administrator to determine what specific changes in the regulations may be required by the decision of the board."

The board, which according to a spokesman had been in almost continuous session over the week-end, was airing, meanwhile, at an announcement at 7 p.m. eastern standard time (8 p.m. New York), tomorrow. This would be just five hours before the deadline set by Congress for automatic return to controls of the commodities in question should the board fail to act.

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EUROPE FOOD ISSUE UNDER NEW STUDY-Washington-Simultaneously with a State Department announcement today of the United States delegation to the Food and Agriculture Organization conference in Copenhagen on Sept. 2, the Department of Agriculture made public the fact that it is now conducting a new European food survey so as to meet world food problems with immediate firsthand information.

The State Department announced that Norris E. Dodd, Under Secretary of Agriculture, would be United States member of the FAO conference. The Department of Agriculture then let it be known that Mr. Dodd headed a delegation of experts that left Washington two weeks ago to study the extent to which European agriculture could be rehabilitated.

Their aim is to ascertain not only the current food situation, but the future prospects. They already have made a tour of the United States zone in Germany, and have dropped in on the UNRRA conference at Geneva. They will go into Greece, Austria, possibly the Balkans, and return by way of the Western European countries.

Included in Mr. Dodd's survey party are R. H. Shields, Administrator of the Production and Marketing Administration; Gordon Boals of the Office of Foreign Agricultural Relations; Lieut. Col. Stanley Andrews, formerly Deputy Chief of the Food and Agricultural Branch of the Military Government in Germany; and Keith Hinebaugh, USDA director of Information. Mr. Shields and Colonel Andrews will return to this country when the survey is complete; the others will remain in Copenhagen for the FAO conference

(Turn to page 2 for other items - - - -
in today's N.Y. Times.)

From The New York Times, August 20 -

COFFEE REAPPEARS AT A HIGHER PRICE-Coffee was back yesterday on most grocers' shelves--after having disappeared during the last two weeks--at a price advance of 10 to 13 cents a pound, but sugar continued in short supply in several sections of the city.

The new coffee prices reflected the increase of 8.32 cents a pound for green coffee at New York, granted last week by the Office of Price Administration with the stipulation that it was not to be translated into retail increases until new shipments were delivered to retailers.

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GRAIN TRADE WAITS FOR PRICE DECISION-Chicago-General evening up was under way in oats and corn futures on the Board of Trade today, as the question whether ceiling prices are to be reimposed on grain will be known late tomorrow. Many professional operators covered short lines of oats, resulting in prices rising around $1\frac{1}{2}$ cents at one time, with the nearby deliveries leading the advance. Reports of a severe shortage of box cars, with 1,300 country elevators closed in the Dakotas, Minnesota and Montana, also had some effect on sentiment, as receipts of oats at terminals recently have been much below expectations. Oats finished $\frac{1}{4}$ cent to $1\frac{1}{4}$ cents a bushel higher, and corn was $1/8$ cent higher to $1/8$ cent lower. Feed barley gained $\frac{1}{4}$ cent, but no sales were reported.

Little change was shown in cash wheat prices here, but Kansas City was 1 to 4 cents lower and Northwestern markets were easy pending announcement about Government price control. Kansas City wheat futures lost $\frac{1}{2}$ to 1 cent and Minneapolis was $3/8$ cent higher to $\frac{1}{2}$ cent lower.

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UNDERTONE HEAVY IN COTTON MARKET-The cotton futures market on the New York Cotton Exchange was comparatively quiet yesterday, with a heavy undertone owing to an absence of active trade buying and on the liquidation and hedge selling. Prices eased off to losses of 28 to 33 points on the day and rallied only moderately, closing steady with net declines of 15 to 33 points from last Friday's final prices.

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DRIED FRUIT PRICES SLATED FOR RISES-Prices of raisins and currents, at the various trade levels, probably will advance 100 per cent as a result of the recent action of the Office of Price Administration in decontrolling certain dried fruits, it was reported in the trade yesterday. Other affected dried fruits, including prunes, apricots, figs, peaches, and pears, also are expected to find higher levels as the new prices become established, although the advance will be less marked, it was said.

Principal factor in the advance in raisin prices, traders declared, is the position of distilling interests whose bids to the growers have brought quotations to levels in excess of \$300 per ton, or 15 cents per pound cost to the packers.

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From the Wall Street Journal, Aug. 20 -

DAIRY PRODUCTS PRICE BATTLE BETWEEN THE AGRICULTURE DEPARTMENT AND OPA IS HOT - Agriculture Secretary Anderson maintains prices haven't gone "unreasonably" high, and that there will be no argument for reconrol until the low production season in the fall, probably November. OPA wants reconrol now.

The new price control law provides that the Decontrol Board must leave dairy products free of price control unless it finds, among other things, "that they are in short supply and that....regulation is practicable and enforceable." Supply picture: Dairy products available for civilians are (except for 1942) the most abundant ever, 18% above the prewar level. Milk output is a near-record, about 16% above the pre-war average. Enforcement record: About 50% of butter under old price control sold in the black market at \$1.00 a pound and up.

A swift return of black market butter and long housewife "butter lines" can be expected if price ceilings are reinstated.

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COFFEE DRINKING WON'T BE CUT BY THE RECENT PRICE BOOST.- That's the opinion of experts in the coffee trade. They believe there may be some shifting from the high-quality, expensive grades to the lower-priced brackets. A lessened demand for deluxe brands may release more of the best coffee for blending with the lower grades, thus actually improving the quality of lower-prices brands as a result of the price rise.

Civilian consumption of coffee in the 12 months ended last June was nearly 19 million bags (132 pounds each). That's 22% above the pre-war level.

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INSECT INVASION of Hawaii threatens its crops. In the past year 15 new types of insects have been brought to the archipelago by planes. Victims to date include castor beans and trees. Officials in Washington worry over the possibility that sugar and pineapples may be hit, that the invaders may even travel to the U. S. from Hawaii. Rigid rules on pest control are being drawn.

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SUGAR BEET CROP in California this year, will put that state back in the number one spot among beet sweet producers, say the Californians. Plantings are up 50% from last year; indicated output over 6 million bags. Last year, when California produced only 4.5 million, Colorado led the parade with 55 million bags. Mechanized beet harvesting will take another stride forward. Harvesting machines, which do the work of 25 to 40 men, will be used on 75% of the 1946 California crop. The figure was 40% to 45% last year.

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From the New York Journal of Commerce, August 20 -

SENSITIVE PRICE INDEX GAINS ON EVE OF DECONTROL FINDINGS - Agricultural prices moved in an irregular pattern yesterday on the eve of the announcement of the Decontrol Board decision on food reconrols. Rumors that the board might postpone the final decision for 30 days--leaving these food groups decontrolled in the meantime--were met with complete silence on the part of the board.

The commodity price level moved up substantially, according to the Journal of Commerce daily index of 30 sensitive commodity prices. Reflecting marked improvement in beef, hog and butter prices, the index rose to 238.7, compared with 239.6, the high for the current move.

(Turn to page 4 for other items from today's N. Y. Journal of Commerce.)

Farm Digest 1805-46

From the New York Journal of Commerce, Aug. 20 (Cont.) -

NEW BASE CONSIDERED FOR COMPUTING CURRENT COTTON COSTS - While still firmly opposed to any daily escalator clause to reflect raw cotton prices in textile ceilings, the OPA is understood to be agreeable to changing the base for calculating its monthly price from the present thirty-day average to a two-week arrangement covering the period immediately after the issuance of the Government's crop estimate.

This new formula would not apply to prices for September, however, which will be calculated on the July 23 to Aug. 22 base. If placed into effect, the new formula would first be used for pricing goods for October. The two weeks beginning Sept. 8, would be used, with the Government estimate due for issuance on Monday, Sept. 9.

Indications in the market yesterday were that the new proposal would more closely reflect actual costs than the thirty-day average.

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BEET SUGAR ADJUSTMENT - Beet sugar processors will retain 13.34¢ per pound of the subsidy which CCC was entitled to recapture as a result of the ruling yesterday by Stabilization Director Steelman. Further adjustment in beet income to meet increased costs since 1940 is held essential.

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CANNED FOOD PACKS - California packers are facing a shortage of boxcars for the movement of tin cans to canneries which may result in curtailment of packs of peaches, pears, fruit cocktail and tomatoes. Meanwhile, the peach pack outlook is for near-record totals, provided labor supply is adequate.

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MARKETS - Arrangements reported for shipment of 8000 bags French Ivory Coast cocoa to U. S. Most flour mills withdraw pending price decontrol announcement. Supplies of live fowl moving slowly. Stronger market for heavy turkeys. Fresh lima beans off. Better tone to peach prices. Butter subsidy seen at 10¢, cheese at 4 to 5¢. Market for eggs firm.

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LINSEED OIL - Many inquiries continue for linseed oil, but a scarcity of material is limiting activity to the delivery of small quantities against former contracts. One large plant in this area is closed down because of a shortage of seed. Another is closed because of labor difficulties.

Meanwhile major crushers are anxiously awaiting developments in the seed market. It is understood that unless the Price Decontrol Board rules otherwise old ceilings on flaxseed are to be restored after today. Negotiations are reported underway between the Inter-Allied Commission and the Argentine Government for the purchase of flaxseed and linseed oil. Shipments of seed from the River Plate ports last week consisted of 200,000 bushels to Europe. Port stocks of flax in the Argentine are estimated at 3,150,000 bushels.

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From The New York Times, August 18 -

MIDWEST STATES-Bumper Corn Crop Indicates Increased Meat Supply-Omaha,-There was both good news and a warning in this week's appraisal of developments in the rural Midwest.

The good news developed from the fact that the area's contribution to an expected national corn crop of about 3,500,000,000 bushels should assure a more adequate supply of meat, poultry, lard, milk and eggs in 1947. The improvement might be slow, but it should be steady if Washington maintains a profitable atmosphere for producers.

The warning came from several quarters and in several forms. Spokesmen in the Midwest and in Washington cautioned that farmers were continuing to flirt dangerously with a land price boom uncomfortably similar to that which followed World War I.

Experts in this area also are hammering hard at several problems facing farmers. The need for soil conservation work is urgent, because expanded crop production has sapped much of the soil. Some farm lands, particularly those south of Nebraska, face a shortage of subsoil moisture and may encounter severe dust blows during the fall and winter. Farmers must prepare to face an inevitable downward trend in farm prices, a slump occasioned in part by their prodigious production.

These and other hazards are pushed aside for the moment, however, by the record corn crop that is almost within touching distance. And most Midwestern observers agree that a great deal of this crop, together with huge wheat yields, a big oats crop and bountiful growth of other feeds should reach the American table in the form of meats and fats.

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From New York Herald Tribune, August 18 -

HALF OF WORLD HELD VICTIM OF MALNUTRITION-London-(AP)-Half of the population of the world suffers from malnutrition and, at time, from hunger, Director General Sir John Boyd Orr said today in a report to the Food and Agriculture Organization of the United Nations.

The report, prepared for the FAO conference to be held at Copenhagen Sept. 2, gave details of the permanent world food board suggested by Sir John earlier this week as an agency for stabilizing world food prices and building up food stocks.

This proposed board, he said, would set maximum and minimum prices for all basic food commodities, buying when the price fell below the minimum and selling when the price exceeded the maximum.

Sir John said the board must be able to divert unmarketable surpluses to persons whose income is too small to buy the food they need.

"In undeveloped countries," the report said, "the primary producers live in abysmal poverty on overcrowded land cultivated by obsolete methods. In developed countries, the big problem of farmers is the fluctuation of prices.

"A small unmarketable surplus brings a big fall, scarcity a big rise unless, as in the United Kingdom during the war, the rise is controlled by the government.

"But governments would find it difficult to maintain a wide difference between internal and world prices in favor of the farmers, who form only about 5 per cent of the population."

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From New York Herald Tribune, August 18--

POPE SEES DODD AND OTHER FOOD OFFICIALS-Rome-Pope Pius XII told a mission of the American Department of Agriculture today that thanks should be given to God for the "men of courage, vision and of pity for distressed humanity" who still abound.

The Pontiff's address, delivered in English, was on the occasion of a visit by Norris E. Dodd, American Under Secretary of Agriculture, and a group of other American and Canadian food officials. The group is in Italy on an international tour of investigation gathering information for the forthcoming International Food Congress.

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From The Commercial Appeal, August 15 -

ARGENTINE THINKS OF INCREASING COTTON ACREAGE BECAUSE OF PRESENT HIGH PRICES AND LOW PRODUCTION COSTS THERE-The high price of American and Brazilian cotton has given the cotton growers of the Argentine ideas. With a current production of about 400,000 bales on twice that number of acres, travelers from that country report that 15 times as much cotton land is available for planting.

The only drawback, it is said, is in finding skilled tractor operators and machinists to keep the farm machinery running.

The growing of cotton there is largely on the mechanical side and native labor has not been trained to the use of machinery. Training is in progress, both in the use and care of tractors and other machines. The world market is attracting more and more production.

The Argentine cotton is grown from American seed and uniform results are obtained by allocating certain seeds for certain wide areas, depending upon soil and other conditions. It is something like the one-variety communities of the United States -- only on a greater scale. The one-variety program of California approximates it.

The upsurge of Argentine as a cotton producer means another competitor for American cotton in the world markets.

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From The Southern Maryland Times, August 16 -

GOVERNMENT FARM CONTROL-Editorial-In the closing hours of the Seventy-ninth Congress of the United States a highly important, though little-publicized, report was submitted to the House of Representatives by the Post-war Economic Policy and Planning Committee which farmers should note with great interest.

The report recommended the abolition of Government controls on farm production and prices "except during severe depressions." The suggestion was made as a long-range program to achieve "prosperous and progressive agriculture and . . . maintain the family farm and make use of modern technology." The guiding thought behind the Committee's recommendation was an effort to prevent the further expansion of large farm land-holding.

For many years the effect of greatly increased Federal supervision of agricultural economy has often resulted in forcing small farm owners to close out their private enterprise and join large co-operatives or enter other lines of endeavor.

The program recommended will, in the opinion of the House Committee, "benefit the nation as a whole through abundant production and more stable purchasing power in this important segment of the economy. Except during severe depressions, prices and market would be largely free and production not restricted."

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AUG 23 1946

U.S. DEPARTMENT OF AGRICULTURE
OFFICE OF INFORMATION
Washington 25, D.C.

(The newspapers and magazines from which these agricultural items are taken are on file in Press Service, Room 409A. Phone Gene Harrison at 6212.)

From The New York Times, August 21 -

CONTROL RESTORED ON MEAT, WITH LIVESTOCK SUBSIDIES; DAIRY PRODUCTS, GRAINS FREE-Washington-The Price Decontrol Board unanimously ordered tonight ceilings restored on meat, cottonseed and soybeans, but directed continued exemption of dairy products and all grains, except flaxseed and by product feed grains.

The board also directed restoration of the full amount of live stock subsidies in effect June 30, thus enabling the Office of Price Administration to roll back meat prices to the level existing when controls expired.

Paul A. Porter, Price Administrator, had previously expressed the intention of restoring June 30 ceilings on meat if the board acted to recontrol it and reinstituted the full amount of the subsidies.

Mr. Porter said that all of the commodities involved would remain free from control until midnight Thursday. It is expected that he will issue new regulations covering the recontrolled items before that time.

While directing that milk, butter and other dairy products continue free of control, the Board said that it intended to watch their prices and would reconsider its decision if evidence appeared that increases since June 30 were unreasonable.

In the case of each re-controlled item, the Board found that (1) prices had risen unreasonably above June 30 ceilings, plus any subsidy, (2) supply was short, and (3) that regulation was practicable, enforceable and in the public interest.

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OPA READY TO BAR RETURN OF MEAT BLACK MARKET HERE-Warning of a meat shortage expected in about a month, Callman Gottesman, local enforcement chief of the Office of Price Administration, said last night that ceiling prices would be enforced more vigorously than ever before to prevent a resurgence of the black market.

The meat enforcement staff, held intact during the seven weeks since the old meat controls expired, will swing into action immediately the new controls take effect Friday morning, Mr. Gottesman said. He indicated that the meat staff would be enlarged to fight black marketing practices before they became entrenched again.

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LOSS OF CEILINGS PROTESTED BY CIO-Washington-UP-The Congress of Industrial Organizations asserted tonight that the Price Decontrol Board's failure to restore price ceilings on grains and dairy products would bring "greater inflation to the American people."

It announced that it would urge the board to reconsider and meantime would intensify its drive to get consumers to resist unjustified price increases and "to join against the greed of profiteers."

(Turn to page 2 for other items - - - -
in today's N.Y. Times.)

From The New York Times, August 21 -

PRODUCERS PREDICT SCARCE LEGAL MEAT-Chicago-Response of the meat and livestock industry tonight to the action of the Decontrol Board in Washington in restoring ceilings, accompanied by a renewal of subsidies, to livestock, was almost unanimously unfavorable.

Most industry spokesmen predicted a return to the black market a scarcity of meat in legitimate channels and a drop in total livestock production.

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LIVESTOCK BODY DISAPPOINTED-Salt Lake City-J. Melvon Jones, executive secretary of the National Livestock Association, said tonight that he was "very disappointed" with the action taken by the Price Decontrol Board which will permit the reestablishment of June 30 ceiling prices of meats.

"The action makes the situation very confusing," he said. "From the standpoint of the public I feel it is too bad the action was taken.

"The ceilings and subsidies will have to be removed some time and I think the time is now."

He added that the attitude of other executives of the association, who are meeting here, coincided with his own.

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SATISFACTION FOR DAIRYMEN-Chicago-Owen M. Richards, manager of the American Dairy Association, said that the Decontrol Board's decision against reinstating price controls on dairy products "will place business in dairy foods on a sound and substantial supply and demand basis that is fair to both the producer and consumer."

He said that was a summation of opinion he obtained tonight from secretaries and presidents of State dairy associations in all parts of the country.

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WARNING OF BLACK MARKET-Washington-Congress members from livestock states tonight assailed the Price Decontrol Board's order for renewed meat ceilings. Among them was Representative Gossett of Texas who declared that restoration of meat ceilings "will result in most of the meat flowing into the black market."

"As a result, we will have less meat, it will be of poorer quality and we'll pay more for it," he said.

Representative James W. Wadsworth, Republican, of New York said:

"I am glad they kept dairy products and grain free from controls, but sorry that the same treatment was not given livestock and meats. It was a great mistake not to do so. The controls which OPA formerly exercised were completely ineffective over livestock and meat. The black market thrived. I fear that the whole livestock industry will be demoralized once more."

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From the New York Journal of Commerce, August 21 -

COMMODITY PRICE LEVEL DIPS FOLLOWING HOG, GRAIN LOSSES - Major commodity markets put in a very dull trading session yesterday, awaiting Washington decisions on recontrol of foods. Price movements continued irregular. Hogs dropped sharply and grains averaged lower. Raw cotton rose 20 points at Galveston and eggs showed a moderate gain with broadening demand. As a result, the Journal of Commerce Daily index of 30 sensitive commodity prices declined to 236.9, a loss of 1.8 points under the previous day.

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SOUTH CENTRAL SPOT MARKETS EXPECT HEAVY WEEVIL DAMAGE - New Orleans - Although price fluctuations narrowed during the week in both spots and futures, aggregate turnover in actuals remained moderate in the south-central belt. Mills acted cautiously and shippers and farmers avoided making commitments except at firmest basis.

Short crop ideas mingled with reports of increasing weevil and other pest damages in this section and lateness of the crop increased fears of unusually heavy losses, especially in the Delta and in Arkansas and Mississippi generally. Aggregate sales in the South were smaller than in the preceding week and about on a par with this time last year when the smallest crop in years was being harvested.

An important factor in delaying re-entering of most mills into the spot market were rumors that the Administration was favoring complete elimination or sharp reductions in the subsidy in order that American cotton values correspond more closely with prices of foreign growths.

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DISTANT MONTHS UP ON COTTON TRADE DEMAND - Trade buying appeared late in the session to turn an unsteady market on the New York Cotton Exchange yesterday into a competitive bidding arena. Interest was centered on the more distant positions. The final range was up 19 to 61 points.

Despite the easiness with which options recovered after minor recessions yesterday, sentiment in the market was hesitant. The announcement of the Decontrol Board expected today caused many traders to adopt a wait-and-see attitude. Although the decision on control of the five major commodities to be released by the board will not directly affect cotton, the attitude of the new agency will be interpreted as indicative of its approach to other questions.

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CORN, OATS FUTURES GAIN FRACTIONALLY - Evening-up by shorts prior to issuance of the PDB decisions on grain ceilings, scheduled for 7 P. M. Eastern Standard Time, resulted in advances ranging up to 2¢ for corn during early dealings at Chicago, but these were whittled down later in the morning and shortly before noon Chicago time futures were 1/4¢ to 7/8¢ higher.

Light country offerings of corn and oats, due partly to the scarcity of boxcars, again contributed to bullish sentiment while oats received added support from reports that virtually all of the 22,500 tons of domestic oats allocated to the United Kingdom zone on the Continent had been sold.

* * *

From the New York Herald Tribune, August 21 -

WORLD WHEAT COUNCIL SEEKS STABILIZATION PLAN - Washington - The International Wheat Council instructed a committee today to draft a program for stabilizing futures prices, markets, production and reserves of wheat for presentation to a later meeting.

In 1942, the council--composed of representatives of nine major wheat-importing and four major exporting countries--drafted a tentative agreement for a system of stabilized world market prices, export quotas, reserve stocks and production adjustments.

But the agreement was never formally accepted by the member nations, one reason being the abnormal demand for wheat arising out of the war.

The Council re-elected Leslie A. Wheeler, head of the United States delegation, its chairman for another year.

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HIDE SHIPMENTS TO TANNERS ONLY 8.8% OF QUOTAS - Tanners were able to obtain only 135,426 cattle hides, or 8.8 percent of their total allocation of 1,538,000, from July 26, when the government began its drive to force hides onto the market, until the end of last week. These figures, disclosed yesterday in the tanning industry, are based on a telegraphic survey made by the Civilian Production Administration.

The results of the survey clearly refute the claim made last week by CPA that it had been able to force packers to ship between 500,000 and 1,000,000 hides to tanners in order to avoid a shutdown of both the tanning and shoe industries. The survey also disclosed that tanners had been able to obtain only 5.1 percent of their calfskin quotas and only 13.3 percent of the amount of kip skins they were authorized to buy.

In no type of material, it was pointed out, were tanners able to purchase the total quantity of hides or skins allocated by CPA, with highest actual percentages for individual firms varying from 47.8 percent for cattle hides to 27.7 for calf skins. The inability of tanners to fill their hide quotas drastically curtailed activity in leather plants and has created the prospect of further serious curtailment or total shutdowns.

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INTEREST HIGH HERE IN SALES OF AUSTRALIA WOOL - The American wool textile industry is displaying more interest in the Australian auctions scheduled for next month than it ever has before because of the world shortage of fine combing wools and the fact that American mills are going to face the stiffest competition since before the war in obtaining their share of the short supply.

Most of the United States production is of the fine combing variety of 64s or better, but this country's output has fallen from 450,000,000 pounds in 1942 to an estimated 287,000,000 pounds this year. On top of this, the recent drought in Australia is expected to result in a shortage there also of fine combing wools, with no surplus to draw on.

While there was a shortage of such wools in the last years of the war, the United States industry did not suffer because of the fact that European mills generally were shut off from imports and this country was the principal buyer. Now, however, the British, French, Belgian and other European mills have resumed production and will be actively competing with the United States buyers, of whom there is expected to be the largest contingent at the auctions in many years.

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From Chicago Journal of Commerce, August 19 -

DOUBT U. S. CAN FULFILL GRAIN EXPORT GOAL-Washington-Announcement today of an export grain goal of 1,057,000 long tons for September failed to go into the question of how the Department of Agriculture intends to procure the 598,000 tons of wheat listed for shipment abroad, with its source of supply through the wheat setaside still blocked by price decontrol.

The department also failed to comment upon urgent transportation problems that officials earlier admitted may block high shipment rates as industry competes with agricultural commodities for the nation's inadequate supply of box-cars, and a strike on the Great Lakes threatens this grain supply line.

The September goal includes, besides the raw wheat figure, 380,000 tons of flour, in terms of wheat equivalent, 62,000 tons of oats, and 17,000 tons of grain sorghums. The August program is 1,001,000 long tons, while the department said 942,000 tons were shipped abroad in July.

The United Nations Relief and Rehabilitation Administration is listed for the lion's share of the proposed September total, with 234,500 tons earmarked for UNRRA countries. Close behind is India, with 224,000 tons, where officials said that the acute phase of the famine will continue through November.

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From The Memphis Commercial Appeal, August 18 -

COTTON TEXTILE MILLS SEE NECESSITY OF INCREASING MAN-HOUR OUTPUT IN ORDER TO RETAIN COMPETITIVE POSITION-An increase in the man-hour output of the cotton textile mills is necessary for cotton to compete efficiently with other fabrics, Dr. William P. Jacobs, president of the American Cotton Manufacturers Association reports in another of the association statements designed to bring facts of the industry to the public eye

Dr. Jacobs pointed out that although in recent years cotton mill costs have risen tremendously, and wages have increased greatly, there has been a slight decline in the output per man hour. This decline is from 107.9 in 1941 to 105.3 in 1944. While figures for 1945 are not available, it is hoped that the war-year decline can be traced to the forced hiring of inexperienced help and that the efficiency curve can be brought back higher now that conditions have changed somewhat.

There has been a marked rise in unit labor costs, the index rising from 109.7 in 1941 to 152.2 in 1944. Wage increases since that time undoubtedly have made the increase even greater.

Unless we can, through improved production methods and greater employee efficiency, raise output per man-hour, we cannot expect to hold our competitive position in the postwar world," Dr. Jacobs predicted.

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From Chicago Journal of Commerce, August 16 -

PRESSURE FOR CONTROLS-Editorial-Two members of the Price Decontrol Board expressed great indignation when a witness said at a hearing that it was common gossip that the board already had made up its mind, before hearing all the evidence, to restore ceilings on food. The indignation of George H. Mead and Daniel W. Bell may be entirely sincere, but the fact remains that Chairman Roy L. Thompson welcomed administration pressure for rolling back food costs.

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From The Davenport (Ia) Democrat and Leader, August 18 -

SOIL DEPLETION-Editorial-Today almost everyone acquainted even slightly with the art and science of agriculture knows of the terrific waste of soil that takes place in this country thru erosion. But not many persons are aware of the fact that the big harvests of recent years, which in part were stimulated by the demands of war and European relief, have greatly depleted the soil in many of the most important farming states in this country.

There is a definite relationship between poor soil and poor health. C. W. Bunting, who has been working on soil depletion for three years for the Illinois Agricultural Association, asserts that poor health can often be traced to poor soil. "Our wartime draft," he said, "has shown us that young men from states with wornout soil were much more likely to be rejected for poor health than those from states where the soil is still of high quality."

Bumper harvests of recent years have taken huge quantities of nitrogen, phosphorus and potassium from the soil, and not nearly as much of these elements has been put back, agricultural experts say. They warn that this unbalanced process must be stopped if the nation's health is to be maintained.

Well-informed officials are offering some somber prophecies. Walter Garver, agricultural economist of the Federal Reserve Bank of Chicago, says that the "prospect for the generations to come is an extremely serious and sobering one." Mr. Bunting says that "if we go on at our present rate we will be trying to grow food on land no better than cement."

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From The Montgomery, Alabama Farmers State, August 19 -

FARM BUREAU STILL TO PUSH FERTILIZER PLAN-Powerful and skilled opposition succeeded last month in defeating the proposal for erecting the pilot phosphate fertilizer plant in Mobile which would have launched a national fertilizer program, but the American Farm Bureau Federation is already organizing plans and forces to renew its fight for such a program in the 80th Congress which will convene in January.

Defeat in the House of the Mobile plant was traced to forces opposed to the Farm Bureau's campaign to cut profits derived from selling farmers peanut hulls, sand, and other filler in the mineral plant food he has to have.

The Fertilizer Program is no fly-by-night proposition thought up in a fantastic way. It dates back to 1943, when the AFBF executive meeting in Washington named Secretary Corbett and General Counsel Kirkpatrick as a "staff fertilizer committee." They were asked to make a study and organize data on national fertilizer resources and requirements, and then to prepare commendations.

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From The Milwaukee Journal, August 16 -

TIME TO ACT REGARDING UNRRA-Editorial-The United States delegation at the UNRRA sessions at Geneva has proposed that this international organization be gradually dissolved, rather than continue intact until the previously set liquidation date.

The reasons for the American proposal are several but the paramount consideration is that supplies to many countries, especially those behind the Russian "curtain," have been misused. America, which has contributed 70% of UNRRA's working funds, feels it has a right to demand curtailment of a work which is not meeting basic tests, when so large a proportion of the money and goods being employed comes from American sources.

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4 DAILY FARM NEWS DIGEST
(For August 22, 1946)

AUG 29 1946

U.S. DEPARTMENT OF AGRICULTURE
OFFICE OF INFORMATION
Washington 25, D.C.

U.S. DEPARTMENT OF AGRICULTURE

(The newspapers and magazines from which these agricultural items are taken are on file in Press Service, Room 409A. Phone Gene Harrison at 6212.)

From The New York Times, August 22 -

OPA FIXES SEPT. 9 FOR NEW CEILINGS ON RETAIL MEATS-Washington-Retail prices of meats will be restored at or near June 30 ceiling levels on Sept. 9 Paul A. Porter, Price Administrator, asserted today, as he promised to "throw the book" at black market operators.

Mr. Porter told a press conference that it would take until Sept. 9 for the price changes necessitated by the Price Decontrol Board's order of yesterday re-establishing ceiling prices for livestock and meat to permeate from producer through distributive channels to the consumer.

In his warning against black market transactions, the price chief said:

"We will have twice as many investigators in the meat black market as we ever had before. There will be 2,500 men, most of them veterans, checking the movement of meats from livestock market to retail counter."

Mr. Porter said that it was impossible to say now what the retail meat price ceilings would be, since the OPA and Agriculture Department were still working on the schedule.

He promised, however, that livestock producers would soon be told their ceiling prices which will be effective Aug. 29, and slaughter ceilings will be effective Sept. 1, while for the non-slaughtering wholesaler they will go into effect Sept. 5.

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HIGHER GOAL IS SET ON WHEAT EXPORT-Washington-Secretary of Agriculture Clinton P. Anderson today announced a new export policy on wheat for foreign countries--a higher goal for the 1946-47 crop than the 250,000,000 bushels heretofore announced, but he made absolutely no commitments.

The reason he gave for raising the sights on wheat to be exported was a bumper grain crop and continuing urgent European need. Commitments would cease, he said, because so much criticism had been leveled at the department on the grounds of not meeting them when for various reasons exports had been slowed.

He said that the current crop is so plentiful that the Government is now buying at the old ceiling prices all the wheat that it needs, and could get more for its export program if transportation were not such a serious problem. Foreign Governments, however, are having some difficulties with procurement, he said, and look at current wheat prices skeptically. He added they would probably buy more when the controls went back on.

The box-car shortage has curtailed August wheat exports, particularly from the West Coast, he said, despite every effort to obtain the use of more box cars.

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(Turn to page 2 for other items in today's New York Times.)

From New York Times, August 22 -

STOCKYARDS SHOW RECORD CONFUSION-Chicago-The most confused markets for livestock in the history of the industry developed at the country's principal selling points today as a result of famine supplies from farms coupled with the decision of the decontrol board in Washington yesterday to restore OPA ceilings on meat.

No two markets moved similarly and many centers which usually are only about 50 cents a hundred pounds apart on hogs were as much as \$7 apart.

Receipts of cattle and hogs at the Chicago stockyards were at a record low for a Wednesday.

Twenty of the biggest stock yards received 13,000 hogs, against 38,000 last Wednesday and 40,000 a year ago, both light totals. Two years ago 68,000 arrived and three years ago the run was 88,000.

The twenty markets received 30,000 cattle, against 61,000 a week earlier and 66,000 a year ago.

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OMAHA COMMENT GLOOMY-Omaha-Restoration of meat price controls means that "consumers will have to learn to eat grass-fed cow beef and like it" because no good and choice beef will be sold, Harry B. Coffee, president of Omaha's Union Stockyards Company, said today.

Receipts were down sharply on the Omaha market and Mr. Coffee asserted that packers here undoubtedly would have to lay off many employes because "producers and feeders won't sell their cattle at ceiling prices."

Most of what good meat is sold will go at over-ceiling prices, he said adding:

"The decision to let OPA waste the taxpayers' money in another futile attempt to force the sale of beef below the cost of production will soon backfire. There will be low price tags on the meat counters--but no meat."

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ANDERSON MAY LET BREAD BE WHITER-Washington-Whiter bread may go on American tables in the near future, Clinton P. Anderson, Secretary of Agriculture revealed today in his last news conference before leaving for a several weeks' vacation on his New Mexico ranch.

Mr. Anderson said that restrictions made for the purpose of sending more grain to hungry areas abroad were now being reviewed in view of the great grain crop, and that ending of the 80 percent extraction required in emergency flour would have "early consideration."

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COURT SUSPENDS CITY MILK ORDER-White Plains, N.Y.-A motion in Supreme Court here for a temporary injunction against continuance of New York City's "dictation" of the amount of milk that Westchester County may receive from distributors was adjourned today to Sept. 5 but Justice James W. Bailey ordered the city to suspend its practice until that time.

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From The Wall Street Journal, August 22 -

GLOOMY BUTCHERS SAY CEILINGS WILL BRING A BLACK MARKET "WORSE THAN BEFORE" - Housewives, who for weeks have been able to walk into markets and get meat without waiting, will again soon be queuing up.

That's the prophecy unanimously sounded by retail market operators in a Wall Street Journal coast-to-coast survey made yesterday.

The question asked: "Will attempted price control bring the black market back?" The invariable reply: "Worse than ever."

Says an operator of seven super markets in Los Angeles: "It definitely means the return of black market meat. Only about 10% of the meat sold under the old OPA regime was legitimate; 90% of the meat sold was, and again will be, sold for more than people are now paying in the free market."

Yesterday in Chicago stockyards, where much of the nation's meat starts its journey to restaurant or home dinner tables, there were signs suggesting retailers aren't wrong in their outlook. Cattle sold at a record high of \$28.40 a hundred pounds; that meat could hardly be resold legally under price ceilings. The old ceiling was \$18. Big packers say the buying was by black marketeers.

For the past week the big packers have been paring down purchases. Hog receipts in Chicago yesterday were only half what there were a week ago. Cattle receipts were only 60% as large as last week. Storage stocks of meat are at rock bottom levels.

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JOHNSON SAYS RAILROADS CAN'T DIVERT ANY MORE BOX CARS TO MOVE GRAIN - Washington - More box cars and railroad equipment cannot be made available to move grain and grain products, Col. J. Monroe Johnson, director of the Office of Defense Transportation, stated.

Every effort is being made to move grain already harvested to elevators and terminal markets, the ODT director said. About 1,000 box cars now are being routed daily from all parts of the United States through western gateways.

He also pointed out that the prevailing box car shortage had increased over a recent two-week period to 14,000 cars from 9,000 and that weekly carloadings are running well above wartime peak figures.

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WANT FLOUR CONTROLS DROPPED - Chicago - The Millers National Federation, trade association of the nation's flour milling industry, has sent telegrams to both Price Administrator Porter and Secretary of Agriculture Anderson asking that price controls be removed from flour.

The Price Decontrol Board has no authority over flour, Herman Steen, vice president of the Federation, explained. The decision as to whether or not flour is decontrolled is up to the OPA. The Department of Agriculture has veto power over any decisions the OPA may make on such products as flour.

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From the New York Journal of Commerce, August 22 -

BUTTER PRICE RISES ON BROADER DEMAND - The industry was very pleased with the Decontrol Board's decision to continue milk and related dairy products free from price control. Demand is extremely broad, supplies are short and the market here (N. Y. City) advanced 1/2¢ to 1¢ while Chicago scored advances of 1¢ to 2¢.

(Turn to page 4 for other items from today's N. Y. Journal of Commerce.)

Farm Digest 1825-46-3

From the New York Journal of Commerce, August 22 (Cont.) -

CORN, OATS VALUES SHARPLY LOWER - Initial reaction to the decisions of the Price Decontrol Board were bearish and corn futures dipped sharply during the morning with prices around noon, Chicago time, down 4¢ to 4-1/2¢.

Much of the selling in corn and oats was attributed to the decision to free grains while maintaining price controls over live stock, which, it is feared, will tend to reduce feeding operations and result in marketing of lighter weight cattle and hogs. As a result, considerable liquidation developed during the morning and up to midday the markets displayed only limited ability to rally.

Bearish sentiment was also influenced by reports of showers in parts of Iowa and Nebraska with moisture predicted for northern Illinois and Indiana which will further benefit growing corn.

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COMMODITY TREND UNCHANGED FOLLOWING DECONTROL REPORT - First impact of the Decontrol Board's decision to put ceilings back on live stock and meats, while leaving grains and dairy products free of controls, did little to change the trend prices had taken in major markets prior to the Board's decision.

Hog prices took another plunge, offsetting gains in wheat, corn, rye, butter and eggs.

As a result, the Journal of Commerce daily index of 30 sensitive commodity prices declined to 236.0 compared with 236.9 the day before.

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COTTON PRICES FALL AS TRADE HESITATES - Prices fluctuated erratically in a narrow range as mills fixed prices on recessions and then seemed to withdraw in a nervous session on the New York Cotton Exchange yesterday. Despite a sharp drop to near daily lows at closing, the trade still remained hesitant and the final undertone was barely steady. The closing range was off 18 to up 12, with independent strength in 1947-48 crop positions.

The major factor seemed to be uncertainty over the new textile ceilings to be released shortly. With the average price of the October option around 34.72 for the monthly period, compared with current futures quotations in the same position as levels more than 100 points over the average, it was believed that the trade would continue to avoid commitments in any substantial quantity at current levels.

* * *

From the Baltimore Sun, August 22 -

SUGAR SUPPLY UNCHANGED - Washington - Senator Tyding's office today revealed there would be no increase in the allocation of sugar for home canning in excess of the uniform ration of ten pounds per person in the present canning season.

The Associated Women, Maryland Farm Bureau, requested the Maryland Senator to try to get additional allocation for home canning. The Department of Agriculture informed him today that "the outlook for immediate supplies is not sufficiently favorable to warrant further allocations to the Office of Price Administration for rationing."

* * *

From The Chicago Daily Tribune, August 20 -

BLACK MARKET IN MEAT HURTS U.S. ECONOMY-Vast quantities of essential packing house by-products will be lost to the American economy if black market operators once more seize a large part of the meat business, Chicago packers said yesterday. Not only do many of the by products have a high convenience value but some actually determine life or death for many persons.

The packers explained that black market operators do not have the facilities for saving many of the by products of animal slaughter. Even more important they do not have the knowledge or skill either to collect the by-products or to process them.

By-products fall into two main groups, edible and nonedible, and the nonedible are divided into a number of categories.

Included among the edible by products commonly purchased are: hearts, livers, brains, oxtails, kidneys, sweetbreads, tongues, fat (including lard) and the blood. Some of the small packing houses that entered the black market of course, have been able to market these items, but large quantities have been lost.

Among the many nonedible by products are:

Products from wool, hair and hides; all kinds of leather, brushes, binder in plaster, felt, padding, hair for furniture upholstery and mattresses, and glue.

Products from sinews, fats, and blood; blood meal, used for animal food; albumen, used as a glue substitute in plywood, filler for leather, fertilizer, illuminating the lubricating oils, gelatin, small quantities of isinglass, and benzoinated lard, used in pharmaceuticals as a base for ointments.

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From Christian Science Monitor, August 19 -

OPPOSITION TO SUBSIDIES MOUNTS AMONG FARMERS-Washington-Farmers oppose subsidies on farm products as firmly as they oppose price controls on the same commodities.

This opposition is not new, but it has become intensified during the past postwar months.

It has been expressed forcibly at the recent hearings before the Price Decontrol Board, and this expression is expected to increase in volume in the 80th Congress.

Legislators from the farm states already are mapping an antisubsidy drive in the next Congress, it is reported, along with a campaign to boost parity prices.

Subsidies on food are estimated to have cost the Government upwards of \$1,000,000,000 a year since 1943, when the country inaugurated its large-scale subsidy program.

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From The Farmer, August 17 -

PRICE SUPPORTS UNTIL 1950-Editorial-With Congress now adjourned, there probably will not be an official declaration that the war is over until sometime in 1947. This means that farmers are assured price support for basic farm products, at 90% of parity, until Jan. 1, 1950. About \$9 of every \$10 of Northwest farm income comes from basic products. If the government finds it necessary to support prices it will demand the right to limit production.

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Farm Digest 1825-46-5

From The Farmer, August 17 -

SELFISH FARMERS? NO!-Editorial-Recently we visited a farmer friend who had a crib filled with corn and perhaps 200 bushels of oats in the granary. He remarked: "I suppose you think I am one of those selfish farmers for holding onto some feed." Also having noted a thrifty bunch of spring pigs that averaged better than 100 pounds and two or more litters of fall pigs already farrowed, we told our friend that in holding onto feed to prepare these pigs for market, he was not only looking out himself but the welfare of the country.

We resented last spring the Washington propaganda to shame farmers into selling their feed. This is not to say that we had no sympathy for the hungry people of other lands, but what good could come of farmers selling themselves short of feed and allowing neat animals to either starve or fail to grow into the pounds of meat of which they were capable of producing? The Washington propagandists never made any distinction in favor of the man who had steers or pigs to feed or cows to milk. We wonder if many farmers who held feed have a sense of guilt. They needn't.

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From The Atlanta Constitution, August 19 -

BARTOW INSTITUTE MAKES FARM THEORIES PRACTICAL-Cartersville-There is a great monument to the future in Bartow county.

The central figure of the monument is known as the Institute of Genetics, a non-profit corporation composed of a seven man board of trustees and a large group of farmer subscribers.

Actually, the monument is best understood from the fact that 26,000 acres in Bartow County are yielding more cotton now than twice the same acreage produced a few years ago.

M. W. H. ("Alphabet") Collins, Chairman of the Institute's Board, explained yesterday to members of the Atlanta City Farmer's Club how the Institute had been formed to put into practical use the work being done by the State's Agricultural Experiment Stations.

With cotton, for example, the Institute planted the Empire strain, selected seeds from the best stalks, replanted, selected again and then, after repeating the process several times, turned over seed to 80 of the country's best farmers for multiplication, Collins related.

"Where the county used to get a yield of 192 pounds to the acre five years ago, we now get an average of 400 pounds, some 100 pounds more than any of the surrounding counties," he said. "The same thing is being done with Wheatland sorghum, barley, oats and other crops.

The Institute also practices the latest methods of mechanized farming. On the theory that ploughing wastes a good part of cover crops, the Institute farm uses a bush and hog harrow for turning crops under. The implement turns the cover into plant food near the earth's surface where it will do the most good.

Cultivation, too, is done by a machine, something like a flame thrower, which moves through a stand of cotton, covering the good stalks before they square and burning out the weeds around them.

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(The newspapers and magazines from which these agricultural items are taken are on file in Press Service, Room 409A. Phone Gene Harrison at 6212.)

From the New York Times, August 23 -

ANDERSON EXPECTS NEW FOOD APPEALS - Washington - Secretary of Agriculture Clinton P. Anderson forecast today that further urgent appeals for food would be sent here by other governments next January and February. He said this would be partly because of the "weakness of the Chinese Government," inaction of our own Congress, slowness of UNRRA and of foreign governments in computing needs and procuring and failure to make use of the huge potato surplus of the United States.

Mr. Anderson spoke at a "famine luncheon" sponsored by the Columbia Broadcasting System. At the head table with him sat Chester C. Davis, chairman of the Famine Emergency Committee; William L. Clayton, Under-Secretary of State, just back from the UNRRA meeting at Geneva, and John Steelman, director of the Office of War Mobilization and Reconversion.

They had just been served a bulky but non-satisfying luncheon guaranteed by the Greek Embassy as being typical of that country today--cantaloupe, ripe olives, radishes, dandelion greens, Zucchini (green squash), okra, half a lemon, black bread, and grapes (391 calories); and had heard a radio presentation of first-person experiences of the food situation in Germany, Italy and China.

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FIVE CENT RISE DUE IN LAMB CEILINGS, ORANGES ALSO ADVANCED - Washington - Retail lamb ceilings will average about five cents a pound above June 30 levels, an official of the Office of Price Administration asserted today as the agency authorized higher prices for coal, radio tubes and oranges.

The official said that previous ceilings on lamb could not be restored Sept. 9 when retail butcher shops go back under price control because the lamb subsidy would not be revived.

Subsidy payments on cattle and hogs will be revived at the June 29 rate, as authorized by the price decontrol board.

OPA and the Agriculture Department continued work on new ceilings for all meats, scheduled for announcement next week. In the case of beef, veal and pork, they will be at or near June 30 prices.

The OPA authorized an increase of 37 cents a box in producers' ceilings for oranges, effective tomorrow, and said housewives would pay about a half-cent more a pound as soon as grocers were billed at the higher prices. The increase in producers' ceilings reflects a "sharp rise" in parity prices, the OPA said.

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WHEATLESS MEALS PASS ON QUIETLY IN FAVOR OF NO-WASTE PROGRAM - The three wheatless meals a week proclaimed last May by Mayor O'Dwyer have taken their place in limbo beside former Mayor Fiorello H. LaGuardia's meatless days.

A check of public eating places and industry spokesmen yesterday--one of the "wheatless" days--showed almost every restaurant, hotel and cafeteria serving white bread and rolls with the evening meal.

(Turn to page 2 for other items from today's New York Times.)

Farm Digest 1835-46

From the New York Times, August 23 (Cont.) -

BEEF PRICE RISE EXPECTED - Washington - New ceiling prices on beef probably will be at least one to two cents a pound more than they were under June 30 ceilings.

An OPA spokesman said today that the advance was necessary because the 50 cent a hundredweight feeder subsidy on cattle was removed. The producer subsidy will be paid.

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LIVESTOCK PRICES SKYROCKET - Chicago - Cattle prices shot up as much as \$1 a hundred pounds here today, hog prices jumped \$1 to \$3 higher, and spring lambs were up 75 cents to \$1.75 in one of the most vigorous trading sessions in history.

Extreme strength in values was based on a week's "reprieve" from price control. The Office of Price Administration will not restore ceilings on livestock until next Thursday, though earlier they were expected to be reinstated tomorrow.

The wild bidding extended to hog trading at other markets. Omaha, Neb., buyers paid as much as \$4 over yesterday's prices; at Sioux City, Iowa, hogs were up as much as \$4.50, and St. Louis saw a rise of \$4 go into effect.

Smaller markets were even more strongly influenced. Louisville saw a new record of \$25 was paid on hogs which sold \$6 to \$7 higher than in the previous session. At Peoria, Ill., the payments were up \$5 and \$6 on barrows and gilts.

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CEILING DELAY CRITICIZED - The National League of Women Shoppers issued a call yesterday for a meat-buying strike until price ceilings take effect at retail. In a telegram to Price Administrator Paul Porter, Katharine Amatage, chairman, said the plan of the Office of Price Administration to delay retail ceilings for three weeks to permit dealers to dispose of holdings bought at higher prices made it appear that OPA was "more concerned with guaranteeing profits than with protecting the public."

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MEAT CONTROL - Editorial - The OPA is to be commended for the care which it is taking in reimposing new retail ceiling prices on meat. Almost three weeks will be permitted to lapse before retail ceilings are again imposed. This delay is necessary because of the time it takes for animals to reach the consumer from the producer and the time required to prepare the new regulations. This interregnum period will also make it possible for wholesalers and retailers to dispose of inventories which may have been accumulated at higher prices during the period when OPA was not in effect.

Mr. Porter has announced that retail prices will be restored at or near the June 30 ceiling. This is an unfortunate decision. It implies that OPA had effective price ceilings on June 30 and that these ceilings can be restored.

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RESUMPTION IN MINNEAPOLIS - Minneapolis - Directors of the Minneapolis Chamber of Commerce, local grain trading pit, voted late yesterday, at a special meeting to permit trading in wheat futures for May, 1947, and subsequent deliveries and in corn and feed barley for December, 1946, and subsequent deliveries.

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From the New York Journal of Commerce, August 23 -

BOUYANT LIVE STOCK, GRAIN MARKETS LIFT PRICE LEVEL - A buoyant live stock and substantial gains in grains sent the commodity price level up sharply yesterday.

Extension of the deadline for reimposition of livestock ceilings carried cattle and hog prices to peak levels. Corn, oats and rye showed marked gains and butter moved up another cent a pound.

The Journal of Commerce daily index of 30 sensitive commodity prices rose to 240.8, a gain of 2 per cent over the previous close and a new high for the index under the new Price Act.

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LIQUOR GRAIN CURB RETAINED FOR MONTH, Washington - Grain allocations for use by beverage alcohol distillers during September will not be substantially different from the quantities which were allotted during August, a Department of Agriculture official said today.

Although the official announcement of September quotas has not yet been prepared, officials indicated that any large relaxation of restrictions at this time might result in the disappearance of too much grain before the new crops are fully harvested.

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YUGOSLAV SITUATION DEPRESSED COTTON - The tense international situation was reflected in cotton futures as prices declined almost \$1 a bale in a fluctuating session on the New York Cotton Exchange yesterday.....

Market sentiment seemed to feel that a reduction in export demand might develop unless the European situation was settled. Both trade buying and scattered outside selling was moderate. Generally, the market was a professional affair.

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1945 WHEAT FLOUR OUTPUT UP 9 P.C., Washington - United States production of regular grind wheat in 1945 was 279,400,000 sacks, according to estimated figures released today by the Census Bureau.

These figures are based on monthly reports from mills which produce approximately 97 per cent of the United States total. Production in 1945 was 9 per cent greater than the 255,200,000 sacks estimated for 1944, and 22 per cent above the 218,300,000 sacks reported in the 1939 census of manufacturers.

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BUTTER MOVEMENT INTO STORAGE RISING - Industry leaders continue to hammer for conservation and good judgment in the matter of prices so that a free market may be continued. Values worked up late and the market was very firm; with the quantity going to storage apparently slightly heavier than of late.

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(Turn to page 4 for other items from today's N. Y. Journal of Commerce.)

Farm Digest 1835-46-3

From the New York Journal of Commerce, August 23 (Cont.) -

CORN LEADS RALLY IN GRAIN FUTURES - Grain futures reversed the trend of the previous day with corn pacing the advance which carried that grain 1 7/8c to 1 1/4c higher and barley 1/4c higher.

Commission house buying and short covering in the yellow cereal stemmed from the continued small purchases to arrive from the country, due largely to the shortage of box cars.

Also contributing to the buying movement was the expectation that the new crop Government corn loan level will be around \$1.27 a bushel, only 5c below the prevailing level for futures.

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BOX CAR DEMAND CONTINUES HEAVY, Washington - While emphasis remains on the grain movement, box car requirements for industry generally continue to increase steadily, Warren C. Kendall, chairman of the car service division of the Association of American Railroads, reported yesterday.

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From the New York Wall Street Journal, August 23 -

"SHELF LIFE" OF FRUITS, VEGETABLES EXTENDED, Columbus, Ohio - The woes of produce retailers can be reduced substantially by new techniques of pre-packaging fresh fruits and vegetables. Refrigeration helps, too. This was revealed here by tests at Ohio State University.

The aim of the experimenters has been to extend the "shelf life" of these fresh foods. By "shelf life" is meant the period that fruits and vegetables can be kept on the shelf available for sale before the first signs of deterioration show. The research projects also involve salability after deterioration sets in.....

The experimenters found the average life for all the produce tested without pre-packaging and refrigeration to be 5.6 days, with a post-shelf life salability of 60.1%. With pre-packaging and refrigeration, the average shelf life increased to 15.8 days and salability after that mounted to 93.2%.

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RADICAL CHANGES SEEN IN FARM BUILDING DESIGN, CONSTRUCTION, MATERIAL, Chicago - Big red barns are out of date. These and other typical farm buildings that now dot the rural landscape are in for some revolutionary changes. D. M. Malcom, executive secretary of the Farm Structures Institute, a farm building workers' group, and manager of marketing service for the American Rolling Mill Co., explains: "Farmers are using the methods of their sons, but the buildings of their grandfathers."

One-story barns without hay mows, lounges for dairy cows, the war-born Quonset hut and glass-lined silos, are a few of the new designs.

Though better layout, research men hope to cut a billion man-hours a year off the seven billion man-hours farmers in this country now work in and around their buildings.

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Farm Digest 1835-46-4

From The Kansas City Star, August 20 -

SUGAR CLAMP IS TIGHT-Housewives, hampered in home canning by limited sugar rations and a scarcity of corn syrup, used as a substitute, were given no encouragement today by OPA officials that more canning sugar would be available.

Two canning sugar stamps, No. 9 and No. 10, each good for five pounds until October 31, make up the allotment for each person. The table sugar stamp No. 49 is valid until August 31. All these stamps are marked "spare."

"The current canning sugar allotment means a national outlay of 750,000 tons and we have had no assurance that any additional sugar will be available," an OPA official said today.

Numerous calls to the OPA office concerning the sugar situation indicate that housewives here are eager to stock shelves with home-canned supplies. Fruit markets are replete with peaches, pears, grapes and plums. The prospects for the fall apple crop are good.

The grocer's shelves indicate another situation. Canned fruit is scarce. The price is high, and going higher, according to economists. An increase of 1 to 7 cents a can on the 1946 pack was revealed yesterday by the OPA in Washington.

The domestic beet sugar crop is good, an OPA official said, but imports are limited. Most of the sugar is scheduled to be imported from Cuba, with little expected from the Philippines or Java.

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From Chicago Journal of Commerce, August 21 -

BOXCAR SHORTAGE-Editorial-Bad as the current boxcar shortage is, it may be only a sample of what is to come. Alarmed government officials look for the crisis to reach its peak about Oct. 15 and some fear it will be the most severe in history, though officials of the Association of American Railroads are quoted as being less pessimistic.

Already, however, the demands on freight facilities are serious. Three million bushels of wheat just harvested in the Pacific Northwest are being stored in the open for lack of granary and boxcar space. What do bumper crops profit us if they must spoil before they can be moved to mills?

Competing with the grain for freight cars are the products of industry for which consumers are clamoring. The movement of goods is picking up as manufacturing plants get into their stride and will grow tremendously in the next few months. If transportation is over-taxed these goods will back up; lack of materials will keep factories from producing at capacity, even, perhaps, closing some of them now and then.

Emergency measures, of course, will be taken. But whatever is done may not be enough.

The situation stems for government policy. During the war the railroads were permitted to do only a minimum of maintenance and acquire only a minimum of new equipment.

Some, in the railroad industry or out of it, will have to come up with some good solution to the problem, and quickly, if we are to stave off this newest threat to getting food and goods on the market.

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From The Commercial Appeal, August 20 -

CROP REPORTS FROM TOURING COTTON MEN ARE BRIGHTER THAN IN MANY WEEKS--August Monday's are the days when cotton men return to Front Street from their Saturday and Sunday perambulations through the cotton fields or compare notes on crop opinions.

Yesterday was no exception, other than that the general tone, for the first time in many weeks, was one of enthusiasm and hopefulness -- all, that is, except comment from those who braved the Mississippi Delta areas.

Due west from Memphis it is reported that the crop is in good condition, except that some of it appears so small that it appears unlikely now that it can possibly mature before Fall.

Farther north in Arkansas they report most excellent crops, and so on up into Missouri. In Tennessee much the same opinions hold forth, with reports that the Covington area may have one of the best harvests on record. These, of course, are individual opinions.

The opinion is that the improvement has been brought about by good weather in late July and early August and that a continuation of the present weather will bring added improvement.

Mississippi remains the exception to the general MidSouth reports, but even in Mississippi the gloom is not as thick as it was two weeks ago although many still talk about this crop being "the worst we have ever had."

One cotton man commented yesterday that "a big crop increases in August, while a small crop decreases."

His argument was that the 1946 crop is a big crop and that the yield should increase, rather than decrease from now on. By big crop he meant that the yield is probably high, even though the acreage is small.

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From St. Paul Pioneer Press, August 16--

GIVE US BOXCARS--Editorial--The problem of moving the Northwest's big grain crop to market now has become so urgent as to call for supplementing the inadequate supply of boxcars. So there is to be increasing resort to the use of motor trucks for hauling grain to terminals.

As an emergency measure to bring in grain that otherwise would be in danger of heavy spoilage due to exposure on the ground, this use of trucks is justified. It is a matter not of choice but of necessity.

What is the situation and what the remedy? First, there simply are not enough boxcars to go around. Then, the railroads due to pressure elsewhere have not allocated the necessary proportion of their available boxcars to this region at the time of special need.

The remedy is to give us more boxcars. As for this year, everything possible should be done to increase the allocations to this area. For next year and the future, full steam needs to be put back of the railroads' program of boxcar construction. Failure to do that will be damaging all around.

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From The Atlanta Constitution, August 20--

THE NEED FOR RURAL ROAD REPAIRS--Editorial--A just-completed survey by The Constitution's State News Service indicates that rural Georgians face another Winter of oft-impassable roads.

While the Spring and Summer have been used to good advantage by the State Highway Department, most areas report that county roads have received little attention.

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AUG 29 1946

DEPARTMENT OF AGRICULTURE
OFFICE OF INFORMATION
Washington 25, D.C.

(The newspapers and magazines from which these agricultural items are taken are on file in Press Service, Room 409A. Phone Gene Harrison at 6212.)

From The New York Times, August 26. -

FLOUR OUTPUT JUMPS 26%; WORLD WHEAT RESERVES CUT-Washington-Production of wheat flour in the United States jumped 26 percent in July to mill 22,100,000 sacks during the first month of the new crop year, according to the Department of Commerce.

Meanwhile, the Department of Agriculture said that wheat reserves had dwindled on July 1 to 101,000,000 bushels in this country, following a trend which had brought wheat stocks in the four principal exporting countries to their lowest supply since 1938.

Unprecedented demand throughout the world for bread grains had reduced total supplies in Argentina, Australia, Canada and the United States to 373,000,000 bushels, less than half the amount on hand twelve months previously and well below the 1935-39 average of 457,000,000 bushels.

Wheat reserves in other areas were at correspondingly "uncomfortable low levels," it was stated.

Since July 1, however, farmers in this country had been reaping a bumper crop, and the report, which the Department of Commerce said was based on figures sent in by 877 mills out of a total of 1,100 in the country, indicated that the United States, at least, was recovering quickly from its wheat shortage.

Bureau of Census officials, who conducted the survey of the Commerce Department, said the flour milling industry just missed producing in July a record total. Its output in July of 1945 was 22,200,000.

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CUBA FACES MEAT RATIONING-Havana-Cuba faces meat rationing for the first time because of the shortage of livestock and drastic control of supplies to prevent speculation and black-market dealings. The Ministry of Commerce is reported to be recommending duty-free importation of beef and codfish. In several cities demonstrations have been held against the high cost of living.

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CHANGES DUE SOON IN LEATHER PRICING-The Office of Price Administration has completed writing price orders covering leather made from imported raw materials, it was learned over the weekend, with issuance planned at an early date. One order, it was reported, probably will cover several materials, including kangaroo and cabretta skins. Another will involve leather from sheep and lamb skins, and a third will deal with leathers from tanned goat and sheep skins.

Action on pricing follows recent raising of prices by OPA on several types of imported skins to 30 percent more than the previous controls permitted. The action was taken due to the rising quotations on imported skins.

The Tanners Council of America yesterday made an appeal for continued sale and shipment of hides and skins by small resources. "In August," it was said, "a sharp drop in the flow of domestic hides and skins to tanners has caused the imminent prospect of shutdowns in leather plants and shoe factories. (Turn to page 2 for other items in today's N.Y. Times.)

From The New York Times, August 26 -

BUYING IS STUDIED IN FROZEN FOODS—Anid sharpened competition and predictions that the frozen food field will be trebled in three years, buying habits of frozen food consumers are commanding marked interest on the part of the industry's packers, it was learned yesterday. Certain generalities of frozen purchases already have been tested in the New York market by income groups.

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GUATEMALA COFFEE EARLY—Guatemala-Coffee men today estimated that 50,000,000 bags of the new crop, which will be early this year because of early rains, will be sold at the full new United States ceilings of \$24 for strictly hard, and \$22 a bag for good washed, F.O.B. Puerto Barrios.

They said the market was steady with no pressure to go above ceilings. One reason was said to be that Switzerland was overstocked last year and European buyers were not offering prices above the ceilings.

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WHAT IS "UNREASONABLE"?—Editorial—One of the criteria for decontrol established in the Price Control Act is that price increases shall not be "unreasonable." A key question is how this term is to defined. OPA's interpretation of the Act also involves questions of reasonableness. It is disappointing, therefore, to find that OPA Administrator Paul Porter has adopted a very narrow definition of this term. Thus, in commenting on the Price Decontrol Board's action continuing the suspension of price controls for milk, Mr. Porter states, "In OPA's opinion the trend of milk prices since controls were lifted has been "unreasonable."

Under the Price Control Act it is specifically provided that the test of unreasonable price rises shall be the relationship between the new price and "the lawful maximum price in effect on June 30th, 1946, plus the amount per unit of any subsidy payable with respect thereto." All reports indicate that for dairy products the rise in prices since June 30, with few exceptions, has been about equal to that required to compensate for the subsidy. In the words of the Price Decontrol Board, "The information received to date***seems to evidence restraint and to how that, in general prices (of dairy products) have been in the neighborhood of the June 30th ceiling, plus the subsidy." In light of this conclusion, it is disturbing to find that OPA considers those price increases as unreasonable under the terms of the Act.

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From The New York Herald Tribune, August 26 -

RUSH OF MEAT TO MARKET CUTS WINTER SUPPLY—Chicago—Many thousands of pounds of potential meat will be lost this week, livestock experts predicted today, when farmers rush hogs and cattle to market prior to reimposition of ceilings on meat animals Thursday.

Heavy receipts will temporarily increase the meat supply, livestock traders said, but will forecast a gloomy outlook for the coming winter, as many of the animals should remain on farms to have additional flesh placed on them.

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NEW EXPORT GOAL AIDS GRAIN UPTURN - Announcement by the Department of Agriculture that the 1946-47 export goal had been raised from the originally announced 250,000,000 bushels of wheat and flour to 400,000,000 bushels of all grains and grain products touched off a buying movement which resulted in net gains of $1/2\phi$ to 1ϕ in Chicago corn futures and an advance of $3/8\phi$ to 1ϕ in oats.

Definite export commitments for specific grains were not disclosed....and traders interpreted this as indicating that the program will be sufficiently flexible to permit switching from one grain to another....

Despite the bullish construction placed on the news the volume of trading was only moderate....

Selling by cash interests tended to limit the advance in corn futures and some market students were advising against taking a long position in corn and oats in view of the heavy receipts of light weight hogs and cattle which were expected to result in further reductions in feeding demands....

Moreover, reports that many sows were being marketed which normally would be held for breeding the next spring pig crop also focused attention on the probable substantial drop in domestic disappearance of feed grains as compared with the past two seasons.

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REDUCED EXTRACTION HAILED BY MILLERS - Elimination of the compulsory 80 percent extraction rate on flour as of September 1 was viewed by mill spokesmen as making it more imperative that price controls be removed.

With the return to 72 percent extraction an increasing percentage of the grind will go into millfeeds which obtain a much smaller price than flour and, as a result the net return to the miller will be further reduced from the already unsatisfactory level imposed by the OPA last week.

Tending to intensify the tight price situation last week was the steady advance in cash wheat values at Minneapolis which stressed the impracticability of maintaining ceilings on flour while leaving wheat free of control. Moreover, there appeared to be little possibility of any material price recessions in wheat with the Government still in the market for large quantities at parity price levels and the increase in the grain and grain product export goal announced late Friday.

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BUTTER AGAIN RISES DESPITE WARNINGS - The market recorded an advance of $1/2\phi$ on top grades with 90 score and lower advancing 1ϕ . Industry leaders are still hammering for conservatism, fearing possible re-establishment of control if values advance much more.

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BELGIUM DICKERING FOR CANADA WHEAT - Washington - Coming on the heels of the British-Canadian wheat agreement, the Belgian Government is now negotiating toward a similar agreement between Belgium and Canada, it was learned today.

A cable received in Washington from Antwerp over the weekend states, "Belgian Government now inclined negotiate long-term contract Canada 300,000 tons wheat yearly similar terms U. K."

Should such an agreement be reached between the two countries it would call for the annual export of around 11,000,000 bushels of Canadian wheat, partly as wheat and partly as flour, in the 1946-47 crop year and the 1947-48 crop at a price of around \$1.55 a bushel.

(Turn to page 4 for other items from today's N. Y. Journal of Commerce.)

From the New York Journal of Commerce, Aug. 26 (Cont.) -

FARM MACHINERY OUTPUT HIGH IN '45 - Washington - The production of farm machines and equipment during the year 1945 was valued at \$758 million, an increase of 13 percent, as compared with \$672 million, reported for 1944, and an increase of 107 percent over \$366 million for 1943.

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COTTON FLUCTUATES IN NERVOUS MARKET - Cotton futures fluctuated nervously last week as both mills and outside interests moved in and out of the market. Prices in the current crop readjusted differentials. The intercrop gap narrowed markedly. Over the week, the range was off 8 to up 97 points.

The gains of almost 1¢ a pound in the October, 1947, position was attributed to the reversal of outside interests in the distant months. Previously, 1947-48 crop deliveries were expected to fall sharply as current crop positions advanced, on the theory that next spring price incentives would lead to a substantial increase in acreage. The widening of the intercrop gap was halted as outside interests began taking advantage of the previous tendency by making straddles.

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CANAL TRAFFIC UP 32 P. C. FOR WEEK - Albany - Canal traffic showed a gain of 32 percent over the previous week with the movement of 91,447 tons of cargo on the New York State Barge Canal during the week ended Aug. 17....

The eastward shipment of wheat was resumed after a lull of more than a month with the movement of 15,729 tons during the week, all of which entered through the Oswego Canal, a gain of 19 percent over the same period last year.

Six barge loads of imported flaxseed, totaling 2,592 tons, were shipped from Brooklyn to Buffalo during the week over the Erie Canal. This is the first appearance of this product on the canal this year.

* * *

From the Wall Street Journal, August 26 -

PRICE CONTROL TO CUT MEAT SUPPLY, C. OF C. HEAD CHARGES - Washington - William K. Jackson, president of the United States Chamber of Commerce, said yesterday that Government price control is going to reduce the American meat supply.

"Meat prices," Mr. Jackson said, "are to be dictated from Washington while the prices on most grains--important in meat production--are to be free to move at will. This will drain more grain into production not under control....The order unquestionably will reduce the meat supply."

* * *

From the New York Herald Tribune, August 26 -

MAN'S DEATH LAID TO DDT FUMES - Collingswood, N. J. - Joseph Hyrtous, Camden County Coroner, reported he had issued a certificate that the death today of houseman M. Kille, fifty-three, "was due to the accidental inhalation of concentrated fumes of DDT." The physician said Mr. Kille went to his summer lodge in the Pocono Mountains near Stroudsburg, Pa., last Thursday and there used a highly concentrated solution of DDT to spray some spiders. In Philadelphia, Dr. Rufus S. Reeves, director of public health, said no death from DDT had ever occurred in Philadelphia and that he could not recall reading of a death from DDT in medical journals.

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Farm Digest 1845-46-4

From Chicago Daily Tribune, August 22 -

EXPERT BLAMES NEW DEAL FOR SUGAR SHORTAGE-Blunders of New Deal economists have aggravated the nation's present sugar shortage and continuation of the Truman administration's present program in regard to Cuban sugar production may prolong the world sugar shortage many years, Winfield Scott Linn, Chicago broker, asserted yesterday.

Linn, whose investment activities have kept him in touch with world sugar conditions for many years, described this nation's policy toward Cuban sugar producers as "shameful" and insisted that it is as important to the future welfare of the United States to encourage and protect Cuban sugar production as it is to build up stockpiles of critical war materials.

"History has shown repeatedly," Linn said, "that in every war the one food commodity every nation is most anxious to obtain is sugar, and this was more true in World War II than ever before, because of the devastation of large sugar producing areas.

"Yet, in the face of all this experience, New Deal bureaucrats ordered a reduction of Cuban sugar production and are even now doing almost everything they can to discourage Cuban sugar growers. We are now confronted with the most serious sugar shortage in history. What we need is help, not hindrance, in Washington."

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From The New Orleans Times-Picayune, August 20 -

SPOT COTTON BUSINESS REVIVAL IS SEEN-A revival of the spot cotton business in New Orleans was foreseen Monday by local dealers in the actual staple who pointed to the consummation of probably the largest single sale of actual cotton here in recent years for a total price of close to \$450,000.

The deal was put through between Louis J. Uhle, representing the seller, and Walter J. Blessey, Jr., representing the buyer. Both are New Orleans spot cotton brokers.

The seller was Sam J. Wilson, Montrose, Ark., and the buyer, the Woodville Cotton Company, Centerville, Miss. The cotton, graded by Mr. Uhle, averaged about strict low middling with a staple of 1 1-16 to 1 3-32 inch. The price was slightly more than 35 cents a pound. The cotton was grown mostly by Mr. Wilson around McGehee and Portland, Ark.

"We are confident that with the opening of a free market for cotton in which the price is sufficiently attractive to the producer to induce him to sell his crop readily on the market that the spot cotton business in New Orleans is on the way to a rapid revival," said Mr. Uhle.

He explained that when the price of cotton is low, a large percentage of the crop is often taken over by the government. Under present conditions, he said, very little cotton is going into the government loan and almost none of it is being taken outright by the government.

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From The Salt Lake Tribune, August 18 -

LOCKER PLANTS TO ADD SUGAR IF PATRONS PREPARE FRUIT-As part of a move to help conserve Utah fruit which could be wasted for lack of sugar to preserve it, most member plants of the Utah Frozen Food Locker Assn. are preparing to provide sugar as industrial users for fruit stored by patrons, Ernest C. Janke, Murray, president, announced Saturday.

"Under no circumstances may sugar be transferred from locker plant to consumer," Mr. Janke said. "The sugar is being allotted on an industrial user basis in order that additional quantities of fruit may be saved.

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From The Memphis Commercial Appeal, August 21 -

SPECULATION THAT MAYBE PARITY FOR COTTON WILL BE IN NEIGHBORHOOD OF 30 CENTS BY 1947-The sudden interest in the 1947 futures contracts covering the new crop positions caused some mental speculation yesterday among cotton men.

The widening differences between the old and new crop months have been watched complacently for the past few weeks. From a position nearly at a level with the 1946 crop months, the October and December, 1947, contracts, by failing to gain as rapidly as other months and losing more rapidly on declines, managed to get 400 points or more behind rest of the market.

Monday when the rest of the market dropped, the distant months gained. Yesterday was the same, although the other months reacted somewhat after early losses. The distant gains, however, were much greater and added up to cutting the differences about 75 points in two days.

The shift has been laid to speculative buying. Most likely suggestion is that increasing prices in other lines have the effect of devaluating the dollar and that if the trend continues the price of cotton in dollars will advance no matter what the 1947 crop conditions.

Another suggestion is that the parity and loans may have something to do with it. Present parity for 7/8-inch cotton is 24.68, which provides a loan of 24.60 on middling 15-16 inch cotton at 92½ per cent of parity.

A gradual increase of prices between the present time and next July 15, when the parity of that date determines the loan, conceivably could mean a parity in the neighborhood of 30 cents, which would provide a most attractive loan level for the farmers.

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From Watertown (N.Y.) Daily Times, August 21 -

THE CEILING GOES OFF MILK-Editorial-The decontrol board has decided to restore price control to meat but not to milk, milk products and most grains. It bases its action on milk on the ground that prices, without control, have not advanced unreasonably. On the other hand, it restores ceilings on meat because, in a free market, meat prices have advanced from 35 to 80 per cent on the wholesale market.

The board apparently assumed that all milk producers wanted price control eliminated along with the subsidy and that it had only the protests of consumer organizations to consider. It is not surprising that the board should get this impression in view of the testimony presented at the hearings. Speaker after speaker, claiming to represent tens of thousands of producers, called for the end of price control. Actually these spokesmen represented organizations in which dealer influence predominated.

Farmers are actually receiving from 15 to 18 cents less on their milk going into the manufacture of butter now than they did under price control. Furthermore, from an overall standpoint, the farmers in the New York milk shed are getting 21 cents a hundred less for their milk now than they did when the subsidy was in force.

The change in the federal order pricing formula, which must now be made as a result of the decontrol board's decision, may restore to the farmer the money to which he is entitled and which is now going to the dealer. But the dealer will of course fight it and in a so-called free market, the producer always takes a licking.

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AUG 29 1946

U.S. DEPARTMENT OF AGRICULTURE
OFFICE OF INFORMATION
Washington 25, D.C.

(The newspapers and magazines from which these agricultural items are taken are on file in Press Service, Room 409A. Phone Gene Harrison at 6212.)

From New York Times, August 27 -

CITY MAPS STRATEGY IN FOOD CRISIS IF TRUCK DRIVERS STRIKE TUESDAY-City authorities began yesterday to consider means of protecting New York's 7,750,000 citizens against the possibility of an acute food shortage if the threatened strike of 12,000 truck drivers materializes Tuesday.

Although drivers engaged in the movement of bread, milk, meat and produce are not directly involved in the strike threat, truck operators notified the Department of the Markets that the bulk of food deliveries into the city would be halted by the anticipated tie up of general and long-distance trucking and the posting of picket lines at railroad terminals and piers.

Hope of averting the walkout hung on the outcome of a membership meeting, to be held tonight by Local 807 of the International Brotherhood of Teamsters, AFL, and a joint management-labor conference tentatively scheduled for tomorrow by the State Mediation Board.

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'KNOW HOW' URGED TO HELP FEED ALL-Lafayette-A program of "intelligently directed, integrated international cooperation" to increase the food production of the world was called for tonight by Chester C. Davis, chairman of the President's Famine Emergency Committee.

That could be done by transferring "our farming know-how," as well as supplying capital and modern machines and tools to such potentially productive areas as China, India and South America, Mr. Davis told about 1,000 persons attending the American Institute of Cooperation at Purdue University here.

"The challenge of international leadership involved in helping India and China increase their product and hold the gain in higher living standards is no greater than the one nations must meet anyway if they are going to survive in this atomic age," he declared.

With reference to India and China, whose combined population he put at 890,000,000, Mr. Davis said that "large imports of food, even if they could be maintained indefinitely, would work no permanent cure."

"Unless some basic changes are made, population would merely move up to absorb the new supplies," he said.

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U.S. INVESTIGATING DEATH LAID TO DDT-Washington-Representative Walt Horan, Republican, of Washington, asked the Food and Drug Administration today to investigate reports that inhaling DDT fumes had caused the death of Houseman M. Kille of Collingswood, N.J. He said the agency had instructed its Philadelphia office to make an inquiry into the death.

Mr. Kille died yesterday and Joseph Myrtetus, Camden County, N.J. coroner, held that accidental inhalation of the fumes had caused his death. Mr. Kille had sprayed his summer resort near Straudsbury, Pa., with a highly concentrated solution of DDT to rid it of spiders.

(Turn to page 2 for other items in today's N.Y. Times.)

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From The New York Times, August 27 -

MORE SUITS FOR MEN AND BOYS ORDERED MADE IN THIRD QUARTER-Washington-The Civilian Production Administration told an industry group today that a production increase of 500,000 men's and boys' suits must be brought about in the last three months of this year to raise the total for the quarter to 7,000,000.

The Office of Price Administration met another problem in the textile industry by offering cotton producers and processors the compromise of a two-week, instead of a monthly base period for the adjustment of cotton prices.

In its efforts to step up production of suits, CPA officials spent the day discussing "bottlenecks". The most serious "bottlenecks" according to the industry representatives, were shortages of labor, sewing machines and cotton and rayon fabrics used in thread, tape and trimmings.

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OPA OPENS DRIVE IN SUGAR SHORTAGE-The scarcity of sugar has reached such an acute stage that the Office of Price Administration has shifted investigators from other units to plug up rationing leaks, it was disclosed yesterday as announcement was made of ration suspensions for ten wholesalers and retailers.

The suspensions were imposed by Clifford R. Snider, chief hearing commissioner, on seven retailers, one wholesaler, one restaurant, and an industrial user of sugar.

With Spare Stamp 49 due to expire Saturday, housewives who have not yet used that stamp are bringing it to grocers to get the five pounds of sugar it calls for, but few stores have the sugar to redeem the stamp. Harry Pfeffer, chief of the food enforcement unit here, said that OPA was intensifying its efforts to halt the diversion of sugar from legal channels.

Of the ten suspended concerns, five had overdrawn their ration accounts by 7,300 pounds of sugar and five had deposited counterfeit ration stamps with a face value of 4,000 pounds.

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From The New York Herald Tribune, August 27 -

ANDERSON-PORTER DIFFERENCES DELAYING MEAT CEILING PRICES-Washington-Office of Price Administration officials revealed tonight that the OPA has received about 1,000 inquiries or informal applications for price decontrol of non-agricultural commodities, as it was disclosed that what the OPA described as "honest differences of opinion" between itself and the Agriculture Department are delaying announcement of new ceiling prices for livestock and meats.

Officials said Clinton P. Anderson, Secretary of Agriculture, is anxious to set prices high enough to offer an incentive for production of livestock, while Price Administrator Paul A. Porter, concerned with consumer needs, wants to keep the new ceilings moderate.

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The New York Journal of Commerce, August 27 -

RAIL FREIGHT EMBARGO DUE TODAY AS NEW YORK TRUCKERS' STRIKE THREATENS PORT TIE-UP - A flat embargo on all rail shipments of freight into the Port of New York is expected momentarily in anticipation of a truckmen's strike which threatens the port with its worst tie-up in recent years. The embargo, probably covering all inbound carload and less-than-carload freight, is expected in the form of an order from the Association of American Railroads some time today.

Traffic experts agreed yesterday that the only thing that could prevent or postpone this action on the part of the railroads would be news that AFL truckers here had resumed negotiations with the Motor Carrier Association of New York. But there was slim hope of this yesterday.

The purpose of the imminent rail embargo will be to prevent a chaotic congestion of idle, loaded freight cars in the port. Some cars will doubtless be permitted to enter as others are unloaded into lighters and warehouses, but generally the effect of the embargo will be to block New York-bound shipments of rail freight as effectively as the truckmen's unions intend to block similar movements by over-the-road truck.

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ERRATIC PRICE SWINGS MARK DECLINE IN SENSITIVE INDEX - Price movements in major commodities continued erratic yesterday. Livestock prices sagged under the heaviest receipts in years and eggs declined sharply. Dressed meats sold at new highs and butter gained 3¢, offsetting skidding hog prices. As a result The Journal of Commerce daily index of 30 sensitive commodity prices dipped to 236.6 compared with the all-time high of 242.8 reached last Friday.

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COTTON PRICES FIRM IN QUIET MARKET - Moderate hedging was absorbed by light trade buying in a featureless session on the New York Cotton Exchange yesterday.

Reports of rain in scattered areas throughout the belt acted generally as a strengthening influence. Precipitation was charted by the Weather Bureau in the Panhandle of Texas and Oklahoma, where it was needed to relieve the drouth but in other sections, notably Louisiana and Georgia, excessive moisture was conducive to weevil activity and reportedly retarded progress. Temperatures ranged from a cold 45 degrees in North Carolina to 79 degrees along the Gulf Coast.

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GRAIN FUTURES DIP IN SLOW TRADING - Trading was resumed in wheat futures at Chicago yesterday for the first time since June 14, but trading interest in that, as well as other grains, was on a comparatively small scale and prices in all pits were lower at noon Chicago time.

Initial transactions in wheat were as follows: January, \$1.99; March, \$1.95-1/4, and May, \$1.94 a bushel. Prices were bid up immediately after the opening but the advance was of short duration and subsequent declines carried 3/4¢ to 2¢ below the opening as hedge selling encountered limited support.

Weather conditions were favorable for corn crop development over most of the belt which contributed to caution in purchases of feed grain futures. Bearish sentiment was also aided by heavy livestock marketings which strengthened the belief that over-all domestic grain requirements for feed purposes this season will be materially reduced. The shortage of box cars again was a factor in restricting country selling of grains and bookings to arrive were small.

(Turn to page 4 for other items from - - - today's N. Y. Journal of Commerce.)

From the New York Journal of Commerce, August 27 (Cont.) -

DISTILLERS' GRAIN QUOTA INCREASE DELAYED - Washington - The Department of Agriculture agreed today to withhold temporarily an increase of 500,000 bushels of grain allocated to the liquor industry after one distiller filed suit in Federal District Court alleging the method of allocation is unfair.

The Department announced last Friday the September allocation will be 3,000,000 bushels, 500,000 more than in August.

Publicker Industry, Inc., of Philadelphia, consumer of about one-fifth of the grain allocated to all distillers in August, filed the suit. It protested that the allocation for September was based on past or "historical" production of each distiller, whereas in August the allocation was based on plant capacity.

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BUTTER PRICES SOAR DUE TO TIGHT SUPPLY - Supplies tight and market very firm here with values bid higher. Many in the local industry are worried, fearing that the recent advances will cause action by the Decontrol Board.

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From the Wall Street Journal, August 27 -

PEANUT PLANTERS HOPE TO HOLD WARTIME GAINS - Camilla, Ga. - Here in the heart of the nation's peanut belt, most of the state's \$57 million crop is now being plowed up and stacked for curing in the hot south Georgia sun. After four to six weeks of drying, the peanuts....will be "picked" and moved to shellers.

The 1946 crop is about 26% below the top acreage planted in 1943. But it's both "big and good," according to the G. F. A. (Georgia, Florida, Alabama) Peanut Association, marketing cooperative of 17,000 peanut farmers. Nationally, about a million tons of peanuts are expected to be harvested from 3 million acres this fall.

But more important to southern growers in Georgia, Florida, Alabama, Texas, Virginia and North Carolina is 400% leap in the total value of their peanut crop --from \$35 million in 1939 to an estimated \$175 million this year. At the same time the national consumption of peanuts (not including oil) has jumped from a pre-war 4.5 pounds per capita to 6.5 pounds this year. Production of peanut butter rose from 250 million pounds in 1938 to 350 million pounds last year.

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WORLD WHEAT CONTROL program is being brewed in global planning kettles. The International Wheat Council, representing big producers (U. S., Canada, Argentina, Australia) and nine important consuming nations is drawing plans for a proposed inter-government wheat cartel. A secret draft was presented to members July 19; but scattered squawks sent it back for revision.

While the content of the new draft is closely guarded, it is said to follow closely the proposal made by the Council in 1942 but shelved because of the war. The 1942 plan would have: (1) Set maximum and minimum prices of wheat moving in international trade, (2) fixed export quotas for producing countries, (3) established limits for stockpiles, (4) set up production controls.

* * *

From The New York Times, August 25 -

REPORT FROM THE NATION-The Deep South-Brisk Business Is Predicted For Spot-Cotton Merchants-New Orleans-High prices and reopening of export channels have revived the spot-cotton business here.

Handling of spot cotton by private merchants dwindled for many years as the result of Federal loan programs and subsidizing of co-operative associations. When World II closed foreign markets, the private spot-cotton business approached the vanishing point.

Because cotton has been commanding the highest prices in twenty-three years, growers have little interest in disposing of the staple to the Federal Government. The loan feature of Federal transactions does not interest them as it did when prices were low. As a result, merchants say little of the 1946 cotton crop will enter Government channels which took most of the crop in preceding years.

Recent sale of \$450,000 worth of cotton by Sam J. Wilson of Montrose, Ark., at slightly more than 35 cents per pound, was the largest transfer of actual cotton in a private transaction here in recent years.

Decline of the private "spot" business had little effect on the actual concentration and shipping of cotton from gulf ports. During its existence the American Cotton Cooperative Association had head-quarters here and much of the staple purchased by Federal agencies moved through this port.

The decline, however, greatly affected the fortunes of private cotton merchants whose establishments closed or contracted in scope in the face of Government competition.

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From The Kansas City Star, August 23 -

RUSH CATTLE IN-A desire to beat the OPA ceiling deadline as of August 29, plus some of the highest prices in market history, prompted producers to rush cattle to the Kansas City market today in the largest volume on record for a Friday.

Only in 1934 when the government drought relief program was on were Friday receipts as large as the estimated 5,000 head shown here today. At that time, most of the receipts went on government account and were not offered on the open market.

Including animals on through or direct billing the stockyards company reported a total of 8,000 cattle here today.

Hog receipts here today were estimated at 3,500 head, the largest for a Friday since June 16, 1944. Sheep receipts fell far short of the estimated 1,000 head and were the lightest for a Friday since July 5 or longer.

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The Baltimore Sun, August 25 -

THE WHITE BREAD ONCE MORE-Editorial-Great was the apprehension last February when Americans were asked for the nonce to go on a diet of dark bread. It was all very well to feel sympathetic about those starving Europeans, but the idea of foregoing white bread of precious tradition merely to save 8 pounds in every 100 pounds of wheat; wasn't that carrying national sacrifice too far? One congressman even proposed legislation against it.

Nutrition experts countered by pointing out that dark bread had it all over white, especially when it came to the important vitamin B's and such items as iron, calcium and phosphorus.

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From The New York Times, August 25 -

FOOD AND HUMAN NATURE-Editorial-Getting food to the world's hungry people, as Secretary of Agriculture Anderson sees it, involves human nature as well as Mother Nature. Mother Nature this year is being generous. She is providing bumper crops in this country, including what appears at the moment to be too many potatoes. In Europe and Asia food production is increasing. It has not increased to the point of extreme luxury, as was illustrated by the luncheon at which Mr. Anderson spoke. This meal consisted of cantaloupe, olives, radishes, dandelion greens, green squash, okra, half a lemon, black bread and grapes. It provided a total of 391 calories and is about what an average Greek family eats today.

The hampering factor of human nature shows itself in lack of foresight, in producers holding farm products for better prices and potential purchasers waiting for lower prices, in Europe's refusal to take our potato surplus off our hands and in disturbed political conditions. Some critics have blamed Mr. Anderson for not sooner foreseeing this year's desperate shortages. Mr. Anderson blames UNRRA. At any rate, the foreseeing was not done. Wheat purchases now lag because our rate is above the rate Canada offered Britain, though wheat may be badly needed later. China is "so weakened and torn by civil strife" that her own farmers, confused by fluctuations in exchange, will not sell, and foreign food landed at the port cities too often gets no further. India gives a brighter picture. Food sent there actually gets to hungry people.

The moral seems to be that international planning, cooperation and exchange of information are required. The discussions at FAO's Copenhagen meeting next month ought to throw some light on the situation and the possibilities.

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From The New Orleans Times-Picayune, August 22 -

PRICE CEILINGS FOR MEAT-Editorial-Having found that meat, cottonseed products and soy beans had advanced unreasonably since the suspension of controls and that, additionally these commodities were in short supply, the price decontrol board felt obliged to order re-control. It could not afford to make itself a party to the profiteering in basic foods.

Threat of the revival of the meat black markets has substance, but is not a major concern with the board. Rather it is the business of the OPA enforcement division which even with the greatest vigilance may not succeed in completely discouraging the illegal traffic. Up to a point the unpreventably black markets, even were they to deprive some people of their share of the meat supply, would be preferable to having the whole population victimized by excessive prices for an indispensable food item.

In this instance the board can hardly be charged with undue interference with the operation of the law of supply and demand, since, whatever is done, meat will fall somewhat short of needs this autumn and winter, and price ceilings which are bound to expire with the OPA next June could hardly have any bearing on the subsequent meat production plans.

Consumers will gain nothing by the board's restoration of the subsidies on the meat, cottonseed products and soy beans and that outlay would not be justified except as a means of facilitating distribution and simplifying OPA's problems of fixing and enforcing ceilings. Anyhow, under the law, all subsidies must cease by next April 1.

Senator's Wherry's objection to meat ceilings without grain ceilings probably isn't worth worrying about.

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(The newspapers and magazines from which these agricultural items are taken are on file in Press Service, Room 409A. Phone Gene Harrison at 6212.)

From The New York Times, August 28 -

RISE IN MEAT PRICE URGED BY ANDERSON, OPPOSED BY PORTER-Washington-A dispute between the Department of Agriculture and the Office of Price Administration over ceiling prices on meat was being settled tonight, spokesmen for the agencies said.

They stressed that ceilings for producers would be announced in time for Friday morning's livestock markets, as was scheduled last week.

Paul A. Porter, OPA Administrator, has maintained his position of last week that livestock ceilings should be restored "at or near" the level of June 30, when OPA controls lapsed.

However, Clinton P. Anderson, Secretary of Agriculture, who under the new Price Control law has authority to review OPA meat ceilings, has argued for higher ceilings.

His office believes that prices should range around \$2 a hundredweight over the June 30 ceiling. Thus, hogs at top grade would sell at about \$16.85 a 100 pounds instead of at \$14.85 while beef would bring around \$20 instead of about \$18.

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STEELMAN ACTS TO BAR CRISIS OF A FREIGHT CAR SHORTAGE-Washington-Eight Government agencies acted today under the direction of John R. Steelman reconversion director, to avert a freight transportation crisis which threatens to backlash on the nation's economy this fall.

After a series of conferences Mr. Steelman announced a program designed primarily to assure delivery of reconversion goods and this year's bumper crops in the face of a war-created shortage of freight cars.

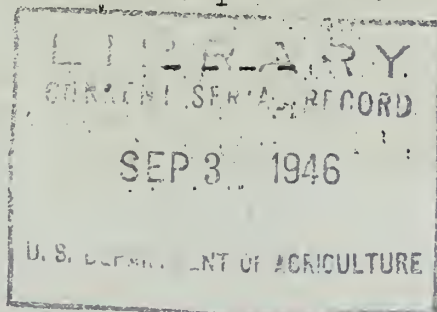
Wherever possible, Mr. Steelman said, freight would be diverted from the rails to ships, repair and building of freight cars would be speeded and other strong measures would be taken to prevent 50,000 to 75,000 carloads of goods from bogging down every week in the next few months.

He declared that the prospective transportation crisis would "have grave consequences for our domestic reconversion and for our plans to help restore economic and political stabilization abroad."

"The coordinated and effective use of the powers of the government" was needed, he stated, and called on "the agencies concerned to take prompt and vigorous action to meet this problem."

Mr. Steelman teamed up the following agencies in the program to meet the crisis: Office of Defense Transportation, the War Shipping Administration, the Maritime Commission, the National Housing Agency, the Civilian Production Administration, the Office of Price Administration and the Department of Agriculture and State Department.

(Turn to page 2 for other items in today's New York Times.)



From The New York Times, August 28 -

PORTER TO INSIST ON MILK CONTROL-In what he termed a "family discussion" Paul A. Porter, National Administrator of the Office of Price Administration, outlined the problems of his agency to 2,000 OPA executives and employees of the New York area, at a meeting yesterday afternoon at the Manhattan Center.

Mr. Porter told the workers the greatest service they could perform would be to inform themselves of the nature of their job and be able to explain to the public the reasons for price increases and price controls. He declared that he would insist that fluid milk and dairy products be restored to price ceilings at the June 30 level as soon as possible. He also predicted that meat shortages, inevitable in September and October, will be blamed on OPA and advised the workers to arm themselves with the facts because "we are going to be misrepresented."

Mr. Porter said that he would be less than frank "if I told you I was satisfied with the bill Congress gave us."

"I was disappointed," Mr. Porter said, "that the decontrol board could not under the standards given, put price control on fluid milk and dairy products. It is my prediction that dairy prices will get out of hand. But we will be back and insist that fluid milk and dairy products be put under price control."

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STABILITY IN FARM PRICES SEEN FOR A DECADE-West Lafayette, Ind.--A prediction that farm prices along with general price levels would continue to rise for about a year, then settle somewhat and remain stable for probably a decade was made today by Earl L. Butz, Professor of Agricultural Economics at Purdue University here. He advised leaders of the Farm Cooperative Movement to operate at practical capacity, get out of debt now, tighten up efficiency and avoid needless risks.

Mr. Butz urged 1,000 persons gathered at the University for a national session of the American Institute of Cooperation, not to mistake the next year or so, for a permanent "new level of economic activity."

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15% MORE GRAIN TO END THE BEER DROUGHT-The beer drought is definitely over as a result of the 15 percent increase in grain allotment by the Department of Agriculture, brewing industry representatives declared yesterday. They admitted that supplies might be tight in some localities, but asserted that in general the scarcity had passed.

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STEELMAN REVIVES WOOD PULP SUBSIDY-Washington-Restoration of subsidies on woodpulp was ordered today by John R. Steelman as Director of Economic Stabilization. The payments, discontinued when the Price Control Act lapsed June 30, will be reinstituted as of July 1.

Retroactive payments during the period from July 1 to July 25, when there was no price control, will be pegged on the prices charged, Mr. Steelman said. "In cases where prices were increased, subsidy payments will be correspondingly reduced," he explained.

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From the Wall Street Journal, August 28 -

OPA, DEPARTMENT OF AGRICULTURE FEUD MAY DELAY NEW LIVESTOCK CEILINGS - Washington - Imposition of new livestock ceiling prices, scheduled to become effective tomorrow morning, may be postponed because of a tug-of-war feud between the Department of Agriculture and the Office of Price Administration.

Late last night the two agencies had not reached agreement....

Ceilings will be postponed beyond August 29, a high OPA official predicted last night, "Unless the (Agriculture) Secretary signs the orders prepared by OPA or unless the Department of Agriculture offers a better basis of compromise than any suggested thus far." This official indicated that OPA is unwilling to make any substantial concessions in raising the controlled prices.

Should the price ceilings be postponed it is not unlikely that President Truman will be asked to make the final decision when he returns to Washington early next week. Under a strict interpretation of the OPA extension law, Mr. Truman is about the only official who can tell Mr. Anderson to back down....

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NEW CONDENSED MILK SUGAR REQUESTS BARRED - Washington - The OPA, to conserve sugar and to provide for more equitable distribution to all users announced no new applications for sugar to produce bulk sweetened condensed milk will be accepted.

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MINIMUM INITIAL MARGINS ON GRAIN FUTURES FIXED - Chicago - Directors of the Chicago Board of Trade yesterday fixed minimum initial margins on grain futures transactions, other than hedging or spreading transactions, at 35 cents a bushel on wheat, 30 cents on corn and barley, 10 cents on oats, 35 cents on rye, and 25 cents on soy beans. The rates represent a reduction of five cents a bushel on corn and barley, but are unchanged on oats, rye and soy beans. The margin requirement on wheat is a new rate....

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LIVESTOCK RECEIPTS DECLINE - Chicago - Livestock markets quieted down yesterday after the near record runs of cattle and hogs on Monday. In an effort to get their livestock to market before ceilings are reimposed Friday, farmers have been shipping everything that even approaches marketable size.

At the Chicago stockyards, cattle receipts fell to 9,000 head yesterday, from 40,000 on Monday, biggest receipts since 1923. They totaled 3,290 a week ago.

Hog receipts were down to 12,000 head from 21,500 on Monday. A week ago they were 5,500. Prices firmed slightly on hogs, the top on cattle remaining at \$30 cwt. and the top price for hogs being \$19.50, compared with \$19 on Monday.

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From the New York Journal of Commerce, August 28 -

DIVERGENT PRICE CHANGES FEATURE FARM COMMODITIES - The price trend in agricultural commodities continued irregular yesterday. Wheat, oats, rye, beef, eggs, butter and hogs advanced, while corn, pork and raw cotton decline. The higher quotations checked the current decline in the commodity price level, lifting The Journal of Commerce daily index of 30 sensitive commodity prices to 236.9, a gain of 3 fractional points over the previous day. (Turn to page 4 for other items from today's N. Y. Journal of Commerce.)

Farm Digest 1865-46-3

From the New York Journal of Commerce, August 28 (Cont.)

- COTTON PRICES FALL WITH STOCK MARKET - Cotton futures declined almost \$2 a bale in a thin and fluctuating session on the New York Cotton Exchange yesterday. Distant positions showed the greatest weakness. The final range was off 21 to 35 points.

Loading factor in trading was the tendency to move sympathetically with securities. Behind this influence, some quarters were inclined to see the unsteady international situation. Other observers considered the recession a natural reaction and readjustment after the long period of rising markets.

Opinion on the condition of the crop at the end of the first month in the new season was divided. Most experts expected to see a reduction in estimated production in the September 1 surveys issued by both private and governmental sources. The drouth in Texas and Oklahoma, it was felt, had been relieved by rain during the last week but not in time to improve the crop.

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WHEAT IS HIGHER; CORN, OATS LOWER - Reports that the CCC may advance its wheat purchase price by more than 8¢ a bushel attracted support to wheat futures at Chicago during the morning but full hedge selling again made an appearance and at noon Chicago time prices were unchanged to 1/2¢ higher.

Trading interest in corn and oats was slow and prices moved over a comparatively narrow range with changes from previous finals only fractional. Corn was 1/8¢ lower and oats unchanged to 3/8¢ lower, while barley displayed independent firmness and advances of 1¢ to 2¢, although transactions were insignificant in that grain.

The expected advance in the CCC wheat purchase price was attributed to the difficulty being experienced by that Government agency in acquiring cash wheat since controls were removed.

Indifferent action of corn and oats stemmed from reports of further large live stock marketings and the probability of a much smaller feeding demand this season which again offset the current scarcity of country selling due to the lack of railroad cars.

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BUTTER SUPPLY SEEN IMPROVING SOON - Butter continued acutely short and the market was bid higher again, but there were reports that sufficient supplies would be forthcoming from producing sections to alleviate conditions here and hold prices down.

* * *

From the New York Herald Tribune, August 28 -

OPA ON PROBATION - Editorial - With price controls on livestock scheduled to be restored tomorrow, reports from Washington yesterday were that differences of opinion still existed among the authorities as to the level at which ceilings should be re-established. The Office of Price Administration takes the position that the top prices on June 30--\$14.75 a hundred pounds for hogs and \$18 for cattle--should again become effective when the free market is terminated. Secretary Anderson is represented, however, as feeling that a level \$2 higher in each case is desirable in the interest of increased production.

It is difficult to avoid wondering about the teamwork of the agencies concerned when Reconversion Director Steelman finds it necessary to bring these regional commanders together in a three-way telephone hook-up forty-eight hours before the deadline for price recontrol in an effort to reconcile differences between them.

* * *

Farm Digest 1865-46-4

From The Kansas City Star, August 25 -

LIVESTOCK FOG TO HOLD-Last week's erratic livestock market was viewed by the livestock trade here as a probable pattern of what may be expected during the period of price control. The new law, it was pointed out, provides for a review of the situation on agricultural products every thirty days, a situation which makes planning difficult.

Producers and the livestock trade generally since the inception of the federal policy of "planned economy" in 1933 have developed a skeptical attitude toward government pronouncements. Government promises have been broken so frequently that confidence in federal agricultural policies has diminished.

The latest edict ordering ceilings on livestock but leaving the grain to feed them free of controls was cited as one factor which may be expected to keep the trade upset.

In addition to the possible price revisions in ceilings every thirty days, either up or down it would be possible, under the new law, for ceilings to be taken off or reimposed every thirty days.

Another unsettling influence is that the law requires subsidy payments to be cut in half on January 10 and to be eliminated on April 1, 1947. This obviously would require adjustments in ceilings.

To make matters worse, there was no official information available up to late yesterday as to the actual level at which the ceilings for either livestock or meat would be established.

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ECONOMIC DANGER SIGNAL-Washington-An economic danger signal was flashed this week in a Department of Agriculture report. Since the 1930s the report said, the average price of farm land has risen 77 per cent. More and more farms are being sold and they are changing hands rapidly "after short periods of ownership."

In other words speculation in farm lands is running wild again, as it did during and after the first World war. That land boom put a crushing mortgage burden on millions of working farmers, kept them impoverished through the 1920s and was a main cause of the general economic crash of 1929.

Will the same thing happen this time?

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From The Davenport (Ia) Democrat and Leader, August 25 -

VETERANS ADVISORY COUNCIL TO MEET WITH VETERANS AND FARMERS-Veterans of World War II seeking employment, and farmers of Scott county wishing to employ veterans, have been invited to attend a public meeting to be held at the Scott county extension office, 336 Federal building next Saturday, according to plans outlined at a meeting of the committee Friday afternoon.

Veterans who are interested in obtaining farm employment may take advantage of the provisions of the G. I. bill of rights under which the government pays \$65 of their salary and the farmer pays the balance. In the case of married veterans the government will pay \$90 of their salary.

The committee is urging that both veterans and farmers attend the meeting so that the processing of the applications can be started immediately.

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From The Cullman (Ala.) Banner, August 22 -

FARMERS TO GROW MORE FALL CROPS-Alabama farmers have begun planting what promises to be a record acreage of winter grazing and soil improving crops. Last year's 15,000,000 acres planted to small grains and legumes will be topped this fall, believe State agricultural leaders.

Cheap livestock feed and better crop yields next year are the aims of farmers, who last year added about \$35,000,000 to their crop, meat and milk incomes by planting these crops.

Plantings will be limited only by seed and fertilizer supplies, which at this time are not certain. However, J. C. Lowry, API extension agronomist, forecasts that there will be enough in most sections to plant more than last year's acreage.

Already San Mountain farmers have begun planting ryegrass and crimson clover and other sections will finish planting this combination in August.

Plantings of oats and other small grains, which account for about one-third of the State's winter grazing crops, will begin September 1. Many farmers will grow vetches and Austrian winter peas in combination with oats.

In the Black Belt, Calcoy peas are used extensively for late winter and early spring grazing. Black medic and lappacea clover are also good there.

For soil improvement, vetches, Austrian winter peas, and blue lupine are the leaders. In some areas farmers will grow crimson clover for this purpose.

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From Chicago Journal of Commerce, August 23 -

PORTER FOR RECONTROL-Editorial-Congress stated, in the act extending price control, the need for "rapid attainment of production equal to the public demand." The policy laid down expressly for the Office of Price Administration and other government agencies was that "the general control of prices and the use of subsidy powers shall . . . be terminated as rapidly as possible . . ." The whole emphasis of the act is on decontrol.

The Price Decontrol Board went counter to this policy in the case of meat for reasons which do not appear sufficient to any advocate of a free economy. But the board did hew to the congressional line in the case of dairy products, which are to remain free of price ceilings at least until OPA can make a case for recontrol.

Price Administrator Paul Porter is determined to make that case. He made no attempt to conceal his chagrin when milk and its products were put out of OPA's clutches.

Asked whether OPA plans to keep a sharp eye on dairy product prices, Mr. Porter said, "Indeed we do. I expect we will be in trouble on the dairy situation this Fall."

Mr. Porter made it plain that he is out of sympathy with Congress' stand for decontrol. He wants to recover as many of his shorn powers as he can.

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From Detroit Free Press, August 23 -

TELL US MORE-Editorial-Paul A. Porter, the Price Administrator, says he sees no need for a black market.

Neither do we, nor probably anybody else. The Country didn't need one before, either, but it had a flourishing one all the same.

What is pertinent now is an explanation of just how Porter proposes to eliminate the black market. It certainly can't be the old formula, because that didn't work.

Or was there ever even a formula? - -

(The newspapers and magazines from which these agricultural items are taken are on file in Press Service, Room 409A. Phone Gene Harrison at 6212.)

From The New York Times, August 29 -

ANDERSON RAISES LIVESTOCK CEILINGS TO KEEP UP OUTPUT-Washington-
Clinton P. Anderson, Secretary of Agriculture, invoked today the power vested in him by the New Price Control Law and specified higher livestock ceiling prices which under the statute OPA must promulgate within ten days.

The maximum price levels ordered by the Secretary were as follows:

On hogs, \$16.25 a hundred pounds, up \$1.40 from the June 30 ceiling.

On cattle, \$20.25 a hundred pounds for prime grade, up \$2.25, with maximum stabilization ranges of \$19.25 on choice, \$17.75 on good, and \$13.00 on commercial grades.

On lambs, ceilings on dressed meat which would reflect about \$19 a hundred pounds, up \$2.85. There were no ceilings on live lambs June 30.

All the ceilings were on "Chicago basis."

Department experts said that the new ceilings probably would mean a $5\frac{1}{2}$ to 6 cents a pound advance in retail beef prices over June 30.

The retail increase on pork was estimated from $2\frac{1}{2}$ to 3 cents over June 30 levels. Rises are also expected in veal, on which June 30 retail ceilings were from 48 to 50 cents; and on dressed lamb on which ceilings ranged from 51 to 64 cents.

The Department of Agriculture expected the Office of Price Administration to "go along" on the Anderson order ...

Instead OPA issued a brief statement postponing the reimposition of price controls on live cattle, calves and hogs until September 1, when slaughterer ceilings will also be restored.

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ANDERSON ATTACKS REPORTS THAT HE WILL QUIT CABINET-Albuquerque-
Secretary of Agriculture Anderson denied reports today that he might resign because of differences with the OPA over meat price ceilings.

"There is not a bit of truth in these reports," he asserted.

The Secretary said that those who knew the regulations "understand that the Agriculture Department's prices are to be followed by the OPA." He added:

"Reports published from Washington to the effect there would be a rollback of prices to the June 30 levels were premature. Price Administrator Paul Porter did not make such a statement, but publication of the report made it appear that there was a basis for a disagreement between OPA and myself."

He said the fact that he had been sick in Washington and had come home for several weeks to rest also led to the reports that he would resign.

Mr. Anderson added that he planned to meet Mr. Porter in Santa Fe next month when OPA regional executives convene there.

(Turn to page 2 for other items
in today's N.Y. Times.)

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From The New York Times, August 29 -

PORTER IS REBUKED ON DAIRY CEILINGS-Washington Price control over dairy products will not be restored unless the Price Decontrol Board finds that prices have risen unreasonably, Roy L. Thompson, chairman, said today.

In a statement obviously directed at Paul A. Porter, Price Administrator Mr. Thompson declared that any decision on the question was exclusively within the board's province.

"Any statements from any other source whatsoever are merely suppositions or speculation and should be treated as such," he asserted.

In a talk to Office of Price Administration employees at New York yesterday Mr. Porter expressed disappointment that the decontrol board had failed to authorize restoration of ceilings on dairy products, adding:

"But we will be back and insist that fluid milk and dairy products be put under price control."

Under the new Price Control Act the Secretary of Agriculture may recommend restoration of price control over agricultural products, but the decontrol board has the final decision. The board may also recontrol dairy products on its own initiative.

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COURT UPSETS BAN ON CITY MILK RULE-The fight over control of the milk supply for the metropolitan area grew hotter yesterday.

Justice Frank Adel in the Appellate Division of the Supreme Court in Brooklyn restored the effect of the ordinance whereby New York City regulated the amount of milk that eleven suburban counties, as well as the five boroughs, received from the six State milkshed. Justice James W. Bailey in White Plains Supreme Court had suspended the city milk regulation on Aug. 21 at the joint plea of Nassau and Westchester Counties.

In a proceeding so quiet that Westchester County Attorney William A. Davidson denounced it as "rotten," First Assistant Corporation Counsel Charles Preussee went into the Brooklyn court yesterday afternoon and obtained an order vacating Justice Bailey's injunction.

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CPA AND ODT ACTING ON FREIGHT CRISIS-Washington-Two Government agencies announced steps today to implement a program of the Office of War Mobilization and Reconversion to avert a crisis in freight transportation.

The Civilian Production Administration "is moving to give all possible assistance for the repair of freight cars," and has requested the steel and lumber industries to give prompt consideration to the needs of car builders, John D. Small, administrator, announced.

The Office of Defense Transportation in letters to railroad officials, called for reduction of out-of-order cars to 3 per cent of their road's total cars as their "immediate objective." As of August 3 4.3 percent of the nation's cars of all types were awaiting repairs.

Mr. Small said the CPA had been channeling steel and pig iron to brake-shoe foundries to avert a shortage of these items, which "are extremely critical."

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From the New York Journal of Commerce -

DECONTROL OF FARM PRODUCTS TO FOLLOW OPA PATTERN FOR NON-AGRICULTURAL ITEMS - Washington - Decontrol of agricultural commodities, under authority granted the Secretary of Agriculture by the Price Control Extension Act, will follow the same general principles outlined last week by the Office of Price Administration for decontrol of non-agricultural commodities.

The issuance today by the Secretary of Agriculture of "regulations governing filing of price decontrol petitions" indicates that industry advisory committees serving the Department of Agriculture will be expected to act in the same way on decontrol as industry advisory committees appointed by OPA.

The USDA regulation, with a few minor exceptions, follows the OPA decontrol procedural regulation virtually word for word. The basis for decontrol will be "analysis and written evidence directed to a showing that supply of a commodity equals or exceeds requirements."

However, "the supply of the commodity is not the sole determining factor. Requirements should be given equal emphasis," the regulation stipulates.

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MEAT, LIVESTOCK ADVANCES AGAIN FEATURE RISE IN INDEX - The commodity price advance was resumed again yesterday after the faltering sessions of the past few days. Secretary of Agriculture Anderson's statement on livestock ceilings apparently had little effect on the market. Cattle prices were maintained at peak levels and hogs rose substantially in active trading. Beef, oats, rye and cotton gains also accelerated the advance, sending The Journal of Commerce daily index of 30 sensitive commodity prices up to 240.6, one of the highest points since July 26.

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EARNINGS IN FOOD INDUSTRY SEEM INCREASING SHARPLY - Hampered by shortages of raw materials and labor, which may reduce 1946 sales below those of last year's the food industry will earn considerably more this year than in 1945, a study of representative companies indicates.

The demand for most food products exceeds the supply by an indeterminable amount at present....For well-established names in the industry there is the additional factor that consumer preference for brand names is most marked in times of relative prosperity.

Although there is every prospect of generally excellent crops this year, a return of the former highly competitive nature of the food processing, packaging and selling business is expected to be delayed by the presence of the world food shortage for some time. Meanwhile, consumption of packaged foods in this country is widely considered to have reached a permanently higher level.

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CROP IN OKLAHOMA GETS RAIN TOO LATE - Oklahoma City - Rains over the weekend in central portions of the State and local showers elsewhere were beneficial to cotton plants but they came too late to be of material benefit. Deterioration had become so serious that it is doubtful that relief from the drouth now can be of much value to the crop.

The needed moisture, followed by cooler days, will stop further premature opening and promote growth, but not enough to make much difference.

(Turn to page 4 for other items from - - -
today's N. Y. Journal of Commerce)

From the New York Journal of Commerce, August 29 (Cont.) -

STRENGTH IN CORN FEATURES GRAINS - Chicago wheat futures backed and filled within a narrow range during the morning and at noon....were 1/4¢ higher to 1/2¢ lower, while other grains registered advances ranging from minor fractions to almost 2¢ a bushel.

Indifferent action in the wheat market resulted from a report that a number of European and Latin American countries were seeking to negotiate wheat purchase agreements with Canada and lack of official word from Washington regarding the future wheat purchase policy of the CCC.

Frosts were reported in Western Canada, but it was stated that wheat had not been affected.

Elevator interests and shorts were buyers of corn futures influenced by continued small country offerings; unconfirmed reports that a large quantity of that grain may be included in the recent export goal and cool weather over much of the belt which was tending to retard crop development.

* * *

From the Wall Street Journal, August 29 -

Chicago

PACKERS DIVIDED ON EFFECT OF NEW LIVESTOCK CEILINGS/- "We don't know just what it will do," an official at one packing-house here said. "We have to live with the new ceilings whether we like them or not. So we are going to wait and see before we make any judgment on them."

Some of the packing industry here thought it might mean some step-up in pork production.

"We have a record corn crop this year," one executive of a meat packing firm said. "If farmers don't feed it to hogs, what will they do with it?"

Another man at the stockyards here pointed out that the corn-hog ratio works out at only a little above eight in terms of the new ceiling and the cash price for corn of about \$2 a bushel. Corn futures for March, which are for the new crop, are \$1.30 to \$1.35, however, producing a corn-hog ratio of a little above 12. A ratio of eight is unfavorable to feeding hogs and with such a price relationship farmers find it much more profitable to sell corn than feed it and market it as hogs. The break-even point lies between 10 and 12, so that in terms of what corn may bring when the big new crop begins to move the corn-hog price relationship is favorable to feeding the corn.

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HARVESTER'S PRODUCTION BELOW '45 BUT RAPIDLY RECOVERING - Chicago - Production of International Harvester Co. is rapidly recovering from effects of the farm equipment strike last winter and war contract cancellations, John L. McCaffrey, president, and Fowler McCormick, chairman, state in a quarterly review of the company's operations.

Sales in the three months ended July 31 were 12.9% under the like period of 1945. Volume for the first nine months of the current fiscal year, which ends October 31, were 32.1% below a year ago but at the close of the first half the decline was 42.5%.

Mr. Caffrey and Mr. McCormick report that at the end of July the company's daily rate of tractor production was the highest in history and a further rise of 5% is expected in the fourth quarter. The original schedule of a 45% rise in tractor output over last year, however, will not be met because of production lost during the strike. Instead, it appears that output will approximately equal that of a year ago. Motor truck production at the end of July compared favorably with the highest levels of 1941.

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Farm Digest 1875-46-4

From The Chicago Journal of Commerce, August 27 -

CURB ON BUTTER PRICE URGED TO BAR RECONTROL-Dairy industry leaders displayed concern over swiftly rising butter prices yesterday as the market again advanced as much as 3 cents a pound in some instances. Fearing that a continued rapid advance would bring this commodity under price control again, trade members urged conservative operations throughout the industry in an effort to confine price advances to a reasonable level.

In the Chicago market, fine quality butter grading higher than 92 score sold at 73 cents a pound, an advance of $1\frac{1}{2}$ cents. Grade A butter rose 3 cents a pound and sales were recorded at 72 to $72\frac{1}{2}$ cents. Grades B and C showed equal price rises.

Trade authorities in Chicago said that the price increases which have taken place since the freeing of butter from price ceilings by the Price Decontrol Board have been corrective actions reflecting the extremely heavy demand and short supply. It was pointed out that butter is nearing the low production season with supplies falling off from the peak usually reached during early Summer.

Several traders also pointed out that prior to the Price Decontrol Board action, many interests had marketed the commodity in large amounts in an effort to save themselves from losses if price ceilings were reinstated. As a result, butter stocks were virtually dried up and the resulting increased demand boosted prices, it was said.

Industry leaders asserted, however, that if the present rate of price advances continues, the Price Decontrol Board will be almost certain to impose price controls when the situation is reviewed on Sept. 3.

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From The St. Paul Pioneer Press, August 26 -

EUROPEAN GRAIN PLANS PUZZLE U.S.-Washington-The by passing of the American farmer by several foreign powers negotiating long term wheat agreements with Canada, even though this country gave millions of bushels of grain to Europe through UNRRA, has caused some officials here to wonder what is going on.

The first agreement was between Britain and Canada a few weeks ago. The United Kingdom agreed to pay \$1.55 a bushel during the next two crop years a minimum of \$1.25 in 1948-49 and \$1 in 1950.

The Canadian export ceiling price for wheat at the time the agreement was signed was \$1.55, but five days later the Canadian government announced that it intended to market the balance of its export wheat on a competitive basis, which would mean at a figure higher than \$1.55.

The United States prices for wheat for export on the eastern seaboard are running around \$2.15 a bushel.

A cable has been received in Washington from Antwerp which says the Belgian government now is inclined to negotiate a long term contract with Canada for 300,000 tons of wheat yearly.

This would be the second deal tied up for Canadian wheat growers and reports here are that others are on the way.

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From The St. Louis Post-Dispatch, August 22 -

HOW MUCH BLACK MEAT?-Editorial-Meat and livestock spokesmen promptly predicted a return to black marketing with the renewal of price controls. They could be right. However, as the Decontrol Board has in effect concluded, the chance to restrain illegal marketing is better today than it was before June 30.

The black market reached major proportions only in the last few months before OPA went out. Congress was plainly indecisive, so legitimate producers held meat off the market in an effort to have controls abandoned. Taking advantage of the national meat hunger caused by this tactic, unscrupulous producers and packers and desperate retailers began selling illegitimate meat. Now that the effort to kill controls has been overruled, the legitimate industry should not try again to create a meat famine. If the industry can see its clear interest, it will throw its practical support in the Government's campaign on illegal operators.

The attitudes of others too, are changed. OPA and the Agriculture Department will administer under a law and in a spirit which do not pinch law abiding packers as the old law did. With doubts of Congress's intentions out of the way, the Government can resume and heighten enforcement efforts in a less demoralizing atmosphere--particularly the control of slaughtering. Above all, consumers have learned that black market buying can easily reach such proportions that controls become unenforceable, leading to free prices but painfully higher ones.

All this suggests that curbing the black market depends on a variety of human attitudes more than on anything else. So it does. National prohibition taught us that a law can become unpopular that enforcing it becomes impossible. The point is that meat control now has an excellent chance to be overwhelmingly popular.

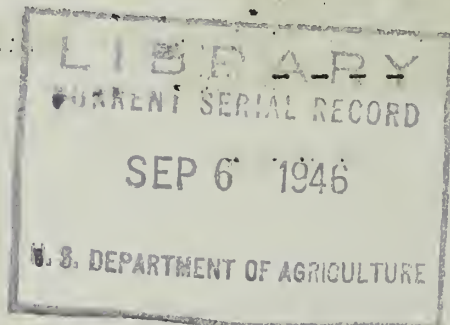
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From The Milwaukee Journal August 22 -

PACKERS AND BLACK MARKETS-Editorial-Hope that the new controls on meat prices will work must rest on a determination on the part of all concerned that they shall work. It is therefore, disturbing to find some packers (and some retailers) already expressing the opinion that the return of black markets is inevitable. No matter how many agents are employed, they say, OPA is facing an impossible job.

If the packers were setting out deliberately to undermine controls, they could not do it more effectively than by spreading the thought that failure is inevitable.

It is, of course, true that OPA faces a gigantic task. Enforcing controls will be difficult at best; it will be especially difficult unless wholehearted cooperation is given by consumers, retailers, packers and farmers. When one important link in the chain expresses hopelessness at the outset, it is doing a serious damage to what will be an uphill undertaking.



Farm Digest 1875-46-6

(The newspapers and magazines from which these agricultural items are taken are on file in Press Service, Room 409A. Phone Gene Harrison at 6212.)

From The New York Times, August 30 -

VIGOROUS OPA DRIVE ON BLACK MARKETS IN MEAT IS MAPPED-Washington-AP-
An all-out drive against black market operations in meat with a force of 2,500 agents was mapped today by the Office of Price Administration, as officials rushed work on computing new ceilings for meats.

Paul Porter, Price Administrator, has selected Irving Gruber, an attorney, to lead the black market drive with a force double that used under former price ceilings.

"We plan a very vigorous drive and expect to stop all violations," Mr. Gruber said.

Meanwhile, the agency worked late to write higher livestock prices over the country, jibing with Secretary Clinton P. Anderson's ceiling recommendations yesterday. The new ceilings will be announced tomorrow or Saturday.

Mr. Anderson recommended prices on pork \$1.40 a hundred pounds higher than the June 30 ceilings at Chicago, and on beef \$2.25 higher. Agriculture officials said this would mean two and a half to three cents more at retail for pork and five and one-half to six cents more for beef cuts.

The ceilings will apply at 12:01 a.m. Sunday on cattle, calves and hogs at both producer and slaughter levels. They will reach distributors and wholesalers on Sept. 5 and the retail shops Sept. 9.

At the Agriculture Department, aides of Mr. Anderson said that one of the factors influencing the increase in ceilings was a report of the Bureau of Agricultural Economics predicting no let up in the strong consumer demand for meats for the next nine months.

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ANDERSON DEFENDED ON CEILINGS AGAINST CIO CHARGES-An Agriculture spokesman asserted today that the livestock ceilings recommended by Secretary Anderson were scientifically set to promote lagging production and were not caused by pressure from producer interests.

His remarks were in answer to a statement issued earlier by the CIO Cost of Living Committee, which said:

"Secretary Anderson's concession to the pressure of the livestock interests and the meat packers is a new and disastrous blow to the living standards of the American people.

"We believe Anderson's reckless step demonstrates his unfitness for office. It climaxes a long series of incidents in which Anderson has acted as a mouthpiece for profiteers.

"The CIO Cost of Living Committee vigorously supports Price Administrator Porter in his battle against Anderson.

"With milk and dairy products uncontrolled, the last semblance of price stabilization is now being destroyed by the Secretary of Agriculture."

The Agriculture Department official stressed that Mr. Anderson rolled prices back to a far greater degree from present prices than he advanced them over the former ceilings. On the CIO's complaint of uncontrolled milk and dairy prices, it was said that price control on dairy products in short supply was favored by the department and that the Price De-control Board has been so told.

(Turn to page 2 for other items - - - -
in today's N.Y. Times.)

Farm Digest 1885-46-

From The New York Times, August 30 -

ANDERSON REPLIES TO CIO-Albuquerque-Replying to the CIO committee's criticism of the new livestock ceilings, Mr. Anderson said that his department did not regard the prices as too high, "and in view of the recent heavy slaughtering, they may not be high enough." He added:

"No consumer group likes price increases, but holding livestock prices low today could make meat more scarce and more expensive tomorrow. The law contemplates prices that will stimulate production. The cattle liquidations of these last few days show what happens when prices go too low."

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RESPONSIBILITY FOR PRICES-Editorial-Under the new Price Control Act final responsibility for determining price ceilings and price decontrol no longer rests entirely with the Price Administrator.

Roy L. Thompson, Chairman of the Price Decontrol Board, denied that price recontrol was imminent for dairy products and noted that "any statements from any other source (other than the Decontrol Board) are merely suppositions of speculation and should be treated as such." This was a prompt assertion of authority and an act which clarified the public mind regarding the exact status of dairy price control.

On the same day Secretary of Agriculture Anderson announced that the overriding price ceilings to be reimposed upon livestock would be \$1.40 to \$2.85 higher than those in effect in June 30. OPA was reported to have favored the reimposition of ceilings at the June 30 level.

The Secretary of Agriculture apparently is inclined to take a more liberal view than the Price Administrator regarding the price ceilings required, in order to make sure that such ceilings do not act as barriers to an expansion in production. The major objective during the remaining months of price control should be to effect the transition to a free economy in as prompt and orderly a fashion as possible.

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COTTON TEXTILES RAISED $2\frac{1}{2}\%$ BY OPA-Washington-The Office of Price Administration authorized a $2\frac{1}{2}$ per cent increase in producers' prices of cotton textiles today in its second monthly revision of such ceilings under requirements of the new price-control law.

The increase announced takes effect tomorrow and results in an advance of 1 to 2 percent in retail prices of apparel made from cotton textiles, OPA said.

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COMMODITY PRICES RISE 3.5% IN MONTH-Washington-Higher prices for a new non-agricultural commodities raised wholesale prices 0.1 percent last week. Average prices of agricultural commodities were lower. At 128.4 percent of the 1926 level, the index of commodity prices in primary markets prepared by the Bureau of Labor Statistics, United States Department of Labor, was 3.5 percent above the last week in July, 13.9 percent higher than before suspension of controls at the end of June, and 21.7 percent higher than at the end of last year. Average primary market prices of farm products declined 1.5 per cent because of decreases for fresh fruits and vegetables.

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From the New York Journal of Commerce, August 30 -

COMMODITY PRICE LEVEL SAGS WITH WEAKENING HOG MARKET - The commodity price level dipped sharply yesterday, reflecting the collapse in hog prices and recessions in cash grains. The drop was partly offset by further advances in raw cotton, attributed to the announcement of a substantially higher parity price... The Journal of Commerce daily index of 30 sensitive commodity prices see-sawed back to 236.9, 3.7 points under the previous day.

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BUTTER SUPPLIES INCREASING HERE - Supplies are increasing somewhat, but holiday demand and anticipated post-holiday needs are keeping goods cleared pretty closely. The market was steady and unchanged.

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ADVANCE IN PARITY AIDS WHEAT RALLY - Announcement after the close of the markets the previous day that parity prices for grains had again been advanced provided impetus to an early buying movement at Chicago yesterday which carried wheat 2¢ to 4-1/2¢ higher at one time, but increased hedging and commission house selling developed on the bulge and at noon Chicago time values were 2¢ higher to 1/4 cent lower.

Other grains moved within comparatively narrow limits with corn....

Effect of the advance in parity levels was largely psychological. Traders pointed out that even if the CCC does not decide to pay more than parity for wheat in acquiring supplies for export, the new parity prices will permit that agency to materially advance its purchase price and therefore raise the theoretical floor for cash wheat.

Country offerings of all grains were again small and only a significant quantities were booked to arrive with the lack of boxcars still preventing many farmers from moving their grain to market.

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FLOUR OFFERINGS STILL WITHDRAWN - The milling industry generally was marking time in anticipation of a price announcement before production of 72 percent white flour gets under way on Sept. 1 and current output was being applied against orders already on hand.

Hopes were voiced that flour will be removed entirely from price control in view of the fact that wheat is not subject to price curbs, but in any event it was stated that prices must be revised upward to cover costs and provide a reasonable profit. Failure to take such action may result in continued withholding, which would create renewed tightness in the domestic market, it was indicated.

Mills were encountering very few cancellations of orders for 80 percent extraction flour and a sufficient unsatisfied domestic and export demand existed to take care of any surplus supply which might exist when mills convert to the lower extraction.

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(For other items from today's N. Y. Journal of Commerce, turn to page 4)

Farm Digest 1385-46-3

From the New York Journal of Commerce, August 30 (Cont.) - .

COTTON UP SLIGHTLY ON TIRE SUPPORT - Price fixing by South Carolina mills and by tire interests late in a fluctuating session on the New York Cotton Exchange yesterday drove near months above the 36¢ level. The final range was up 6 to 23 points above previous close.

Immediately after opening, price movements showed erratic fluctuations. Local traders and commission houses tended to hold prices down by taking profits on bulges and the trade fixed prices on recessions.

Late in the session, tire interests were active in the market, holding prices near the 36¢ level in October and December. Some switching was also observed, a large part between near October and December on an even basis. In the last half hour, price fixing by Southern mills was attributed to end-of-month operations. Some selling pressure was evident at the 36¢ mark. Closing prices were slightly below the highs of the day.

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ARGENTINE EXPORTS CONTINUE TO RISE - Argentine exports for the first half of this year were up 61.5 percent in value over the comparable period in 1945, it is reported by Roberts, Heynell & Co. of Buenos Aires in a recent Weekly News Bulletin. Monthly figures show that the value of exports have been higher each month in 1946 with the exception of January.

Though wheat exports for the six-month period show a drop of 28.1 percent in value compared to last year's figures, cereals (including linseed) as a whole increased 106.2 percent from \$212,204,000 last year to \$437,462,000 this year, the report reveals, with maize showing the largest rise of any single item, that is 613.9 percent.

Wool exports rose sharply from a value in 1945 of \$70,722,000 to \$189,991,000 this year, representing a 168.6 percent rise in value and 250.5 percent in volume. Meat shipments amounted to \$246,761,000 this year, compared to \$210,776,000, hides rose from \$80,469,000 to \$82,511,000, and dairy products jumped from \$28,660,000 to \$65,893,000.

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VIRGINIA COTTON FARMS PLAN MECHANIZATION - Richmond - Virginia's cotton producers are expected to more than triple the current \$1,141,000 value of their farm machinery in the next ten years and thus play a major role in the South's vigorous farm mechanization drive, one of the nation's largest bearing manufacturers reported.

The demand for labor-saving machinery on all of the South's 1,500,000 cotton farms had reached the highest point in history.

"Primarily responsible is the realization that cotton must be produced more economically to compete in domestic and world markets," C. W. Moore, market analyst, said. "but the demand has been strengthened considerably by shortages of both farm labor and machinery materials."

The average value of machinery on Virginia's 7,000 cotton farms is approximately \$163 per farm, Moore said, adding that, by 1946, it is expected to jump to \$614 per farm--the current average for the nation.

* * *

From The Detroit Free Press, August 28 -

BLACK MARKET-Editorial-People who have money in their pockets will get what they need, or what they think they need.

How much of their money they will pay for a given commodity depends in part on its plentitude and in part on the degree in which it is needed, or believed to be needed.

All the Government or anybody else can do toward dictating how much is to be paid for what will have very little bearing on the actualities of most transactions.

Hence the Black Market. Hence, also, the futility of trying to plan economics on the level of the individual dealings.

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Chicago Journal of Commerce, August 28 -

NEW PRICE CONTROL SETUP BAD AS EVER IN ACTUAL PRACTICE-By Wilbur J. Brons--When Congress revised the price control mechanism it expressed the pious hope that the return to a peacetime economy would be facilitated. That the new setup will do nothing of the sort is clear from the order restoring meat price ceilings and subsidies.

Under the law, four standards, were to be applied to any items brought back under control. Decontrolled items were to remain free unless (1) their price had risen "unreasonably" above the legal maximum plus the subsidy as of June 30, 1946; (2) the commodity was in short supply; (3) price control was "practicable" and "enforceable," and (4) "the public interest" would be served by reimposition of controls.

These standards were meaningless when they were adopted and they are meaningless now. The decontrol board found that livestock prices had increased 20 to 50 percent and this was construed to be an "unreasonable" rise. But the law permits the board to make its comparison not with the actual prices which the housewife had to pay in order to get meat but with the so-called "legal" prices which were in most cases pure fiction.

By any definition that makes sense, the meat situation failed to meet any of the remaining three conditions legally necessary to the reimposition of ceilings.

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From The St. Paul Pioneer Press, August 27 -

BLACK MARKETEERS-by Gustaf A. Mordin-Washington-Black market operators had better start worrying because they have seven years of bad luck ahead of them. The G-men are on their trail.

One of the biggest problems OPA has is to enforce its price regulation and stamp out the black marketeers. It has admittedly failed to do a thorough job with its 2,500 men enforcement staff.

But--and it is a big but--OPA has some help now on the way. Government revenue agents are rapidly building up a trained staff of 26,000 investigators to check income tax returns.

It is here that the black marketeers might stumble into trouble. They figure that the law requires OPA to act within a year and after that time they are safe. But the Treasury has about seven years in which to make its findings known and still bring charges against gross violators of the law.

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Farm Digest 1885-46-5

From the Times-Picayune, August 27 -

STRESSES RURAL LIFE ADVANTAGES - Haveland, Miss. - "Today the Negro farmer can make as much as he has energy and intelligence to produce," said Dr. Harry V. Richardson, Tuskegee, Institute, Tuskegee, Ala., speaking at the annual session of the Rural Life Council meeting here in Gulfside educational, religious and recreational center.

He said, "The worst that can happen would be to become a landless race, because a landless race is a homeless race." Much stress was laid by Dr. Richardson "on the following virtues of rural life: It insures family solidarity, great possibilities for the development of character, a deeper appreciation for beauty, and a greater increase in population."

Bishop R. H. Brooks, presiding bishop of the New Orleans area central jurisdiction, said the purpose of the conference is to train ministers to rebuild rural communities, not with wornout slogans, but by inspiring our preachers "to take a broken down church and transform it into a sanctuary of beauty and meaning."

Professor Henry Barnett of Florida Southern college, Lakeland, Fla., said that more attention should be given to the lifting of the morale of the rural family and home life.

* * *

From the Watertown Daily Times, August 26 -

A VICTORY FOR THE MILK PRODUCER - Editorial - Dr. C. J. Blanford, administrator of the federal milk marketing order, has succeeded in gaining approval for an amendment which will give the milk producers the benefit of current retail prices for milk and milk products. The result is these producers will be saved from exploitation by handlers who, since the end of price control, have been receiving a disproportionate share of the consumer's dollar.

As the federal order stands before amendment, farmers can receive only \$4.30 for class one milk. Likewise the butter formula cannot work above the 46-cent wholesale level although the actual wholesale price for butter is now 66 or 67 cents a pound. Indeed farmers received 21 cents a hundred less for July production than they would have received had the 75-cent federal subsidy been continued.

This injustice will be corrected by this new amendment. The price of Class 1-A fluid milk will go to \$5.02 a hundred and other prices will be in proportion. In other words, the farmer will be compensated for his loss of the subsidy. Heretofore, only the dealer has benefitted from the increase in retail prices. The farmers have actually taken a loss.

Again Dr. Blanford acts with energy and dispatch to see that the milk producer gets justice.

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From the Boston Herald, August 28 -

B3288

IS DDT UNSAFE? - Editorial - The death of a New Jersey man after the inhalation of a large amount of DDT ought to be carefully investigated. This new insecticide is far too valuable to be restricted on mere suspicion. If it can do nothing more than rid us of the common housefly in a few years, and this seems possible, it might prevent far more deaths from fly-borne infections than it could ever cause as a poison. The fatality, first to be ascribed to DDT, occurred after a "bomb", which holds the insecticide in an oil solution under pressure, released an excessive amount of the spray. The victim appears to have inhaled much more than would be likely under normal conditions. The death may not have been caused by the oil solution and might have resulted if any of the old fly poisons had been used.

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Fern Digest 1885-46-6

